Daily Report

Latin America

FBIS-LAT-95-173
Thursday
7 September 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
Latin America

FBIS-LAT-95-173 *7 September 1995*

CONTENTS

INTER-AMERICAN AFFAIRS

Zedillo Praises Rio Summit, Makes 'Unusual' Departure *[Mexico City Radio]* 1
Venezuela's Caldera Comments on Rio Group Summit *[Caracas TV]* 2
Rio Group Presidents Support Latin American Community *[Madrid EFE]* 2
Drug Trafficking Arouses Controversy at Rio Group Summit *[Madrid EFE]* 3
Samper Calls For 'Multilateral Response' to Drug Problem *[Madrid EFE]* 4
Andean Presidents Hold News Conference *[Quito Radio]* 5
Bolivia Hopes To Serve as 'Bridge of Integration' *[TELAM]* 8
Frei, Sanchez: Bolivia, Chile 'Must Wait' To Resume Ties *[Madrid EFE]* 9

CARIBBEAN

Haiti

Prime Minister Wants To Influence U.S. in Nation's Favor *[Port-au-Prince Radio]* 10
President, Grassroots Representatives Meet on Privatization *[Port-au-Prince Radio]* 10
Arrests Reported for Killing of Illegals at Sea *[NOTIMEX]* 10

MEXICO

Chile's Frei Arrives, Comments on Ties, Possible Accords *[Mexico City TV]* 11
Zedillo, Chilean President on Importance of NAFTA Talks *[NOTIMEX]* 11
Government Coordinator, EZLN Commander Preview Talks *[Mexico City TV]* 12
Government, EZLN Peace Talks Resume *[Mexico City TV]* 12
Quotas on Sheet Metal May Continue Despite NAFTA Ruling *[REFORMA 31 Aug]* 12

CENTRAL AMERICA

Guatemala

Head of Human Rights Deputy Commission on UN Report *[Guatemala City TV]* 14

Nicaragua

General Cuadra Comments on San Andres Dispute *[ACAN]* 14
Proposal for New Department Described *[LA TRIBUNA 19 Aug]* 15
Fiallos on Election Reforms, Budget *[LA TRIBUNA 20 Aug]* 16

Panama

Perez Balladares on Meeting With President Clinton *[Panama City TV]* 18
Legislators on Possible U.S. Base Negotiations *[Panama City TV]* 18
ARI Administrator, President Comment on Reverted Areas *[EL PANAMA AMERICA DOMINICAL 3 Sep]* 19
Interview With Perez Balladares, Part 3 *[Panama City TV]* 20
New Legislative Assembly Board Elected *[Panama City TV]* 21
Solidaridad Party Communique on Split From PHD *[LA ESTRELLA DE PANAMA 2 Sep]* 22
Eisenmann Views Possible Women Presidential Candidates *[LA PRENSA 1 Sep]* 22
Planning Minister Admits Slow Economic Growth *[EL PANAMA AMERICA 3 Sep]* 23

SOUTH AMERICA

Argentina

Menem Praises Results of Rio Group Summit *[TELAM]* 24

Brazil

Cardoso Decision on Patent Decree 'Good News' for U.S. *[GAZETA MERCANTIL 1 Sep]* 24
President To Remain Outside Political Disputes *[AGENCIA ESTADO]* 25
Poll: Popularity of Cardoso Administration Dropping *[JORNAL DO BRASIL 3 Sep]* 25
Reserves Moved From Switzerland to New York, London *[AGENCIA ESTADO]* 26
Party Position on Constitutional Reforms Outlined *[AGENCIA ESTADO]* 26
Poll Identifies Main 'Brains' at Congress *[JORNAL DO BRASIL 1 Sep]* 27
Minister Explains Arsenal Explosion on Boqueirao Island *[Brasilia Radio]* 28

Chile

Armed Forces Commanders Reject Amendment of Military Law *[EL MERCURIO 30 Aug]* ... 28
Escalona: Dismantled DINA Rules Within Army *[Madrid EFE]* 29

Colombia

Samper on Staying in Power, Nicaragua Talks *[Santa Fe de Bogota TV]* 29
Foreign Minister on Talks With Nicaragua *[Santa Fe de Bogota Radio]* 29
Interview With President Samper's Lawyer *[Santa Fe de Bogota Radio]* 31
Prosecutor General Regrets Botero Testimony Leaks *[Madrid EFE]* 34
Botero Asked for Evidence of 'Leaks' at Prosecutor's Office *[Santa Fe de Bogota TV]* 35
Parliamentarians Issue Statement Asking Samper To Resign *[Santa Fe de Bogota TV]* 35
Police Arrest ELN Man With Computer Data on Personalities *[Santa Fe de Bogota TV]* 36

Ecuador

Congress Notifies Vice President Dahik of His Impeachment *[Madrid EFE]* 36
Private Banks Take Over Foreign Trade Operations *[Madrid EFE]* 36
Military Supports Democracy Amid 'Serious Political Crisis' *[TELAM]* 36

Paraguay

President Wasmosy Returns From Quito Summit *[NOTICIAS]* 37

Peru

Government 'Deeply' Regrets French Nuclear Test *[Lima TV]* 37
'Outstanding Agenda' Urged for Rio Group *[EXPRESO 16 Aug]* 37
Congress Supports Cabinet; Opposition Wants Specifics *[Madrid EFE]* 39
Drug Trafficker Cachique Rivera Gets Life Sentence *[Lima TV]* 39

Uruguay

Minister Urges Producers, Exporters To Trust in Mercosur *[TELAM]* 39
Senate Approves Protocol on Mercosur Organizations *[LA MANANA 23 Aug]* 39

Venezuela

Caldera Discusses Democracy, Armed Forces Support *[Caracas TV]* 40
Comments on Crisis, Role of Armed Forces *[EL NACIONAL 2 Sep]* 40
Caldera Swears in New Central Information Office Minister *[Caracas TV]* 41
Government Reports Repayment Agreement With World Bank *[Caracas TV]* 42
Planning Minister Predicts Lower Inflation Rate in 1995 *[Caracas TV]* 42
Energy Minister Reaffirms No Gasoline Price Hike Planned *[EL UNIVERSAL 1 Sep]* 42
Supports Higher Prices Abroad *[Caracas TV]* 43
Matos Azocar Sees Restructuring of Public Debt *[EL GLOBO 1 Sep]* 43
Quotes Lower Inflation Level *[Caracas TV]* 44
Roundup of Venezuelan Economic Developments *[EL UNIVERSAL, etc.]* 44

Zedillo Praises Rio Summit, Makes 'Unusual' Departure

PA0609162095 Mexico City Radio Red Network in Spanish 0000 GMT 6 Sep 95

[Report by Victor Manuel Suberza Blanco; from the "The Night Monitor" newscast]

[FBIS Translated Text] Good afternoon listeners. I am going to divide this report into two parts: one, on Mexico's position on how drug trafficking should be fought; and two, on an unusual event to do with President Ernesto Zedillo's farewell from Quito this afternoon.

Drug trafficking has become the most serious threat to national security, health, and social tranquility; this challenge therefore cannot be disregarded by any nation in the world. This is what President Ernesto Zedillo said while taking part in the last work session of the Ninth Rio Group Summit. Zedillo said that drug trafficking harms national coexistence and the solidity of institutions, generates corruption, and stimulates gunrunning.

Zedillo said producer countries earmark plenty of resources; he therefore believes that the time has arrived that this effort be complemented by consumer countries.

He also recognized that consumption is the main driving force behind drug trafficking. He, therefore, called on developed countries to assume their responsibility and deliver a frontal attack against it.

He also proposed an international antinarcotics conference to face the drug threat. Fighting this problem must be aimed at dismantling criminal organizations, the control of drugs and arms, and steps to prevent money laundering. Nevertheless, he said, the task of facing drug trafficking should not serve as a pretext for any country to meddle in the internal affairs of other nations.

The president met with his colleagues from Bolivia and Argentina. Afterward, a group of Colombian journalists respectfully requested that he reply to certain questions. They headed to a room in the Colon Hotel for the interview, where only four questions were asked. Only Colombian journalists took part. I managed to catch part of this interview, in which the topic of drug trafficking arose.

Also, the particular idea that some Latin American journalists have, that because Mexico is going through an economic crisis, Mexico also faces a political crisis.

One question, the last one, which was asked by a Colombian colleague, was whether Mexico is on its way to recovering its political and economic stability. To this, President Zedillo replied:

[Begin Zedillo recording] Fortunately, we have political stability as few countries in Latin America have, and have had for so many years. The serious problem we had during 1995 has been the economy. We had a financial crisis of enormous proportions, which became a serious threat to our job security, to our financial system. Fortunately, and thanks to a very rigorous adjustment program and also thanks to a very important financial support program, we are overcoming the financial crisis. [end recording]

Having concluded the Ninth Rio Group Summit, President Zedillo, after holding separate meetings with his colleagues from Bolivia and Argentina, as well as the meeting's closing act, headed for Quito Airport to return to Mexico City as quickly as possible.

The president was in such a hurry that he declined the farewell honors and approached airplane PP-01 with decisiveness, which was not yet in place to be boarded.

Reporters asked whether he was going to fly up to the plane [se va a subir de aguilita], just when the plane was being towed to the appropriate boarding position. Zedillo wanted to leave Quito, and that was obvious. He replied kindly that it was convenient to leave at that moment because at that same time three heads of state were departing, with the respective protocol farewell ceremonies.

Just when the airplane was being placed into position, still some distance from the embarkation platform, Zedillo exchanged points of view with reporters in an informal conversation, quite different from the perfectly organized interview in a Colon Hotel room only with Colombian journalists.

How was shopping? [preceding word in English] asked Zedillo to a journalist carrying frames with various designs made out of hammered copper. Half jokingly the reporter showed the artisan work and tried to give one to the president. Which one do you want, sir? Courteously the president replied, no, I better order one through Ambassador Antonio Riva Palacio, who laughingly took the order.

Once he was serious, Zedillo mentioned an incident that took place in the last work session, when Ecuadoran President Sixto Duran-Ballen referred in a gentlemanly way to Peruvian President Alberto Fujimori, who replied the same way. This only happens in Latin America, where nobleness and gracefulness predominates. Even between presidents who up to a few months ago were at a virtual state of war. I wish this happened in Bosnia or in those places, Zedillo said.

Also seriously, the Mexican president said he felt satisfied on results of the summit. "The Night Monitor"

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

newscast envoy asked the president how his proposals had been received at the Rio Group summit. We reached all the goals, and after that reply he said: they were not goals, they were contributions.

At that moment Mexican Foreign Secretary Jose Angel Gurria demonstrated what he has learned about diplomacy, and with a restrained voice invited Zedillo to go to the proper place: As the farewell honors were declined, the Ecuadoran vice president will bid you farewell, said the foreign secretary.

In this unusual way, the Mexican president bade farewell to Ecuadoran territory and is already in the Los Pinos presidential residence.

Venezuela's Caldera Comments on Rio Group Summit

PA0609192195 Caracas Venezolana de Television Network in Spanish 0200 GMT 6 Sep 95

[Special report by Adriana Cabrera from Quito, Ecuador; from "The News" newscast]

[FBIS Translated Text] With the concrete objective of coordinating efforts to fight against the problems common to all nations of the region, Venezuela and the other countries members of the Rio Group agreed to sign the Quito Declaration.

In this respect, Venezuelan President Rafael Caldera urged his colleagues not to lose sight of the population and to uphold the Bolivarian ideal.

[Begin Caldera recording] Let us not lose sight that, for us, the fundamental objective of all governments is the population, those thousands of human beings to whom we owe ourselves. During his Angostura address Simon Bolivar pointed out that: The most perfect government system is one that brings about the most welfare possible, the most social safety, and the most political stability. Bolivar established welfare, the most welfare possible, as a fundamental objective that must be made available to the majority of the population. It for this reason why we should try to guarantee that our best efforts are aimed at securing the welfare of our people so that when we meet on occasions such as this one, the people will look toward these meetings with affection, approval, enthusiasm, and most of all, with hope. [end recording]

President Rafael Caldera denied reports related to his failing health, and his explanations were obvious when the president took part in all the activities included in this past Tuesday's agenda that culminated with the 14 heads of state signing of the Quito Declaration committing themselves, among other goals, to develop social and economic polices aimed at eradicating poverty.

[Begin Caldera recording] We must attempt to intensify the struggle against poverty, as well as to cut unemployment and poverty by drafting effective policies. I am aware that economic development is something indispensable if we want to successfully challenge the social situation. However, to believe that economic growth on its own is sufficient for all our social problems to be solved is a severe mistake for which many countries are currently paying the price. I am afraid that if we do not analyze the issue sufficiently it could bring about disastrous results. [end recording]

During the summit Colombian President Ernesto Samper also provided an explanation with respect to the inconsistencies found in a map released by his country omitting Venezuela's sovereignty over the Gulf of Venezuela and Los Monjes Archipelago. In this respect the Colombian president stated that he was willing to undertake whatever adjustments may be needed to revise the map as per Venezuela's request.

The Ninth Rio Group Summit also served as the perfect setting for the relaunching of the Andean Pact which, after 25 years since its creation, was in urgent need of structural changes in order to modernize it so that it could cope more effectively with the challenges posed by economic globalization and regionalization.

Despite all of this, the most expected item of the summit, the signing of a letter of intent for the Constitution of a Latin American Community of Nations that would lay the foundations for the gradual establishment of a single citizenship, failed to satisfy expectations since the issue was not even discussed and a report on the subject was sent to a commission for further evaluation.

Now that the Rio Group summit has concluded, President Rafael Caldera will be traveling to Santa Fe de Bogota, Colombia, on an official visit where he will be meeting with President Samper. Both presidents will be discussing mechanisms to solve the border problems between both nations. These problems include vehicle, narcotics, and fuel trafficking, in addition to illegal migration. As part of his agenda, the Venezuelan president will also be addressing the Colombian congress.

Rio Group Presidents Support Latin American Community

PY0709035195 Madrid EFE in Spanish 2352 GMT 5 Sep 95

[FBIS Translated Text] Quito, 5 Sep (EFE) — The presidents of the Rio Group today gave broad support to the initiative of the Latin American Parliament (Parlatino) for the creation of a Latin American Community of Nations (CLAN) [Comunidad Latinoamericana

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

de Naciones], and signed in Quito an Act of Intention to begin developing that project.

The presidents have entrusted to their foreign ministers the creation of a top-level committee, with the participation of the Parlatino, "to design the mechanisms intended to consolidate, in a dynamic manner, the creation of this integration project."

Most presidents who attended the Ninth Rio Group Presidential Summit have expressed, separately, their enthusiasm toward that initiative and expressed their willingness to provide their governments' support.

Peruvian President Alberto Fujimori said that his country, like other member countries of that group of political consultation and agreement, believes the CLAN is a "legitimate right" in order to give impetus to integration.

He said that the CLAN will allow the Latin Americans to have greater presence within the international framework and that "there is political willingness to work toward that objective."

Venezuelan President Rafael Caldera said: "It is a magnificent proposal that seeks an objective, a tendency that is expanding and that confirms the idea of unity we must have in Latin America."

Colombian President Ernesto Samper said that one of the bases of his country's Constitution is its Latin American orientation and inclination, an aspect that would be interpreted in the Community of Nations.

Brazilian Vice President Marco Maciel made similar remarks, saying that the Brazilian Constitution establishes that its relations with its Latin American neighbors are a priority, and that the current government of President Fernando Henrique Cardoso has already demonstrated its integrationist spirit.

In a speech delivered during the opening session of the Ninth Rio Group Presidential Summit on 4 September, the president of Parlatino, Venezuelan Senator Humberto Celli, submitted the CLAN's Act of Intention.

The Act, which was already approved by the foreign ministers of the Rio Group, establishes the construction of an institutional framework that will allow the convergence of the integration processes and activities and will set the groundwork for the progressive establishment of a common citizenship.

Celli said that the CLAN "will not be turned into just another international bureaucratic apparatus," and reaffirmed his conviction that it "will take the path of unity and fortitude."

He said that in order for that contribution toward development to be effective, Latin American unity and integration are a must "so that we may be able to build a truly reciprocal market" with the United States.

Celli said that in this manner a really dynamic and vigorous entity will be established in an effort to join and compete, with possibilities of success, with the EU and the rest of the world.

He explained that the CLAN intends to promote a common Latin American identity, with the elimination of barriers that thwart free trade, and to promote, with special emphasis, the signing of agreements on common and multiple nationality citizenship.

The project involving the Act was prepared during several technical meetings among delegates of the countries and Parlatino, and approved by the foreign ministers at the last summit preparatory meeting held in Quito in May 1995.

For the development of the project, a "working timetable will be prepared to consolidate the process. To achieve this, we intend to promote the active participation of all social sectors," the Venezuelan senator said.

Drug Trafficking Arouses Controversy at Rio Group Summit

PY0509155895 Madrid EFE in Spanish 1905 GMT 3 Sep 95

[FBIS Translated Text] Quito, 3 Sep (EFE) — The proposal to make either a categorical pronouncement against drug use or a general reference to the entire drug trafficking chain has become the most controversial issue at the Rio Group ministerial meeting being held in Quito today.

Most member countries deem that it is paramount to include in the final declaration an unequivocal appeal to industrial countries for the intensification of the struggle against drug consumption as, in their view, this is the main reason for the supply of drugs. The Argentine delegation has opposed this proposal.

Argentine Deputy Foreign Minister Fernando Petrella, who participated in the first ministerial meeting, stressed that "all countries must adopt the necessary measures to contain the trafficking in precursors, drug production, the illegal drug trade, and even drug use."

Petrella denied the existence of discrepancies over this matter and insisted on the fact that the Rio Group final declaration must be based on the guidelines of the OAS Inter-American Drug Abuse Control Commission and therefore, must include general references.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The Argentine official emphasized that "not only consumers, but also producers should be condemned." This elicited a strong reaction by Andean countries, which do not consider that they are to blame for drug trafficking, but rather see themselves as its main victim.

Colombian Foreign Minister Rodrigo Pardo, for his part underscored that drug-producing countries could not assume the full burden of responsibility for combating drug trafficking, adding that "all links in the drug trafficking chain" should participate in this endeavor with the same ardor and political resoluteness.

Pardo acknowledged that the paragraph on drug trafficking included in the draft declaration is too vague and must be improved at the ministerial and presidential meetings.

"We can be neither imprecise nor ambiguous. If there is a country that has suffered the consequences of drug trafficking, that country is Colombia. We are confronting narcoterrorism and narcocorruption," he reiterated.

Pardo further stated: "We are the first ones to demand an emphatic, well-defined, and clear pronouncement concerning drug enforcement. The only way to be effective in this struggle is by employing a multinational strategy."

The Colombian foreign minister declared that "drug trafficking will not be defeated by only combating part of or one link in the chain. We must combat it all together through a concerted strategy. We simply want the final statement to be as clear and forceful as possible."

Paraguayan Foreign Minister Luis Maria Ramirez Boettner, for his part, was more categorical in noting that "I believe that drug use is bolstering supply. Had there not been any consumption the production of coca leaves — which has always existed — would have been given no importance at all."

Ramirez Boettner pointed out: "As drug use is a most stunning occurrence that is on the increase in industrial countries, we are concerned that supply rather than consumption should be mentioned first" in the declaration.

Bolivian Foreign Minister Antonio Aranibar insisted on the fact that "a shared responsibility" is necessary to tackle the problem of drug trafficking head-on.

Aranibar said that all countries are at present affected by this phenomenon and that the struggle against drug trafficking must, therefore, be the responsibility of the entire international community.

Rio Group coordinators agreed on Saturday to write "a seven-line paragraph" devoted to drug trafficking that does not add anything new to the previous Rio Group declarations on that subject and that it is hoped will be modified before the closing of the Rio Group summit.

Samper Calls For 'Multilateral Response' to Drug Problem

PY0609160295 Madrid EFE in Spanish 0101 GMT 6 Sep 95

[FBIS Translated Text] Quito, 5 Sep (EFE) — Colombian President Ernesto Samper Pizano today said that "drug trafficking, corruption, and poverty are central questions that make us wonder whether or not Latin America is governable."

The Colombian head of state, who arrived in Quito on 4 September to attend the Ninth Rio Group Presidential Summit and the Andean Group meeting, made these remarks during a news conference in which he stressed that "subjects like corruption, drug trafficking, social unrest, and poverty leads one to consider to what extent Latin America is governable at present."

To that effect Samper said: "I call upon all countries to strengthen institutions, to launch investigations to get to the bottom of issues so that justice may be meted out and an inspector's office run by citizens may be established."

The Colombian president recalled that likewise, the media "ought to — without giving up the search for truth — honor the universal principle that a person is assumed innocent until proven guilty and to behave responsibly by shunning mudslinging so that lawsuits may proceed unhampered."

Samper said he was confident in the fact that "if the public, the media, and institutions share in this endeavor I am sure that we will be able to uphold democracy in Latin America."

"Latin America's governability is seriously impaired at present. We are well aware that democracy is not only the right to vote, "but rather an ongoing exercise of participation, the buttressing of institutionalization that enables the control of the three branches, an opportunity citizens have to oversee the government's action," he added.

The Colombian head of state further stated: "We can defeat drug trafficking in Colombia and drug production in Brazil, but as long as there is consumption there will always be a country that is lured into producing drugs."

"As long as there is a demand, supply will also exist. Only a multilateral response to this problem will

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

enable us to make strides in the struggle against drug trafficking," he added.

Samper went on to say that "the solution must include the terminal side of the problem, which is drug use, money laundering, and the sale of chemical precursors."

The Colombian president explained that this is the reason why a recommendation was put forward to convene a world conference on drugs and to establish a regional task force to be in charge of drawing up a joint plan of action.

He said that Andean countries will set up a "search bloc," i.e. will undertake joint action against drug trafficking.

"We have doggedly fought drug trafficking; we routed the Medellin Cartel; we have dismantled the Cali Cartel, but we have paid dearly for this. This is not only Colombia's struggle, but that of everyone who wants to put an end to this scourge," he added.

The head of state moreover acknowledged that "we will only be able to defeat drug trafficking if we become aware of the fact that this is a task that should be assumed by all of us, that we are duty-bound vis-a-vis our children, and that only joint responsibility will enable us to see the light at the end of this dark tunnel."

Commenting on the support given to Colombia by the other presidents attending the summit meeting, Samper said: "I dedicate the Rio Group's acknowledgement of the struggle Colombia is waging against drug trafficking to Colombians so that they may ponder the fight in which we are involved."

Along the same lines, Samper stated: "I accept this recognition on behalf of the 3,800 policemen, the 1,100 judges, and the 57 journalists who have lost their lives over the last 10 years."

The Colombian president declared that Latin American countries reject violence because wars do not lead anywhere. Therefore, we should all opt for the path that will enable us to settle territorial, trade, economic, or ethnical disputes by means of constructive dialogue."

Samper explained that "we have agreed with Nicaragua that all subjects will be discussed at talks between the foreign ministers and the parties in question."

The Colombian head of state also expressed his satisfaction over the new climate of peace prevailing in relations between Peru and Ecuador, which "has been reflected in both presidents' remarks."

Andean Presidents Hold News Conference

PY0709012595 Quito Voz de los Andes in Spanish 2310 GMT 5 Sep 95

[News conference by Ecuadoran President Sixto Duran-Ballen, Peruvian President Alberto Fujimori, and Bolivian President Gonzalo Sanchez de Lozada after the ceremony during which the Quito Act was signed, held at the Hotel Colon Internacional in Quito — live; broadcast in progress]

[FBIS Translated Text] [Duran-Ballen] ...of Chile, when I addressed this subject, that we do not know for sure the impact of these actions, and of the beginning of the announced eight tests of this type, before the respective treaty is signed.

We can be given all guarantees, but all of us know that there are secondary effects that can pass unnoticed and have later repercussions in human beings or in other beings, in our waters, in plants, in the atmosphere, and, in general, in everything.

I therefore want — and I understand that the Bolivian and Peruvian presidents will agree with me — to express our rejection of, our protest against, this action, which is against mankind. For we claim to defend mankind's rights, and our governments, sometimes in an exaggerated manner, claim to work for humanity's benefit.

Therefore, I wish to publicly express my personal protest and that of my country and my administration against this action.

Ecuador was one of the first countries to have lodged a protest before the French president after he announced his intentions a few hours after his inauguration. Today, we reassert that timely protest.

It is curious that some of the most powerful countries which always try to teach smaller countries what should and should not be done many times do not follow their own rules. For many years, they preached to us about free trade, and yet whenever we needed to have access to free trade for our agricultural products, these same countries enforced inexplicable barriers.

Today, when we are told that peace, understanding and the unity of all human beings, without distinction as to sex, race, creed, or the many characteristics that mark our individuality, should prevail throughout the world, an inexplicable act against humanity is perpetrated.

I believe that the issues raised in the news conference held earlier today that was, coincidentally, attended by two of the presidents present at this news conference may be the same that will be discussed now. Therefore,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I would rather proceed with the questions the journalists who have registered at the press secretariat may have.

[Communications Secretary] Mr. Marcelo Landivar, would you please proceed to indicate which questions will be raised to which president. These questions, of course, will center exclusively on those issues discussed at the Rio and Andean summits.

[Landivar] Mr. Edgar Vazquez, from TeleAmazonas.

[Vazquez] Good afternoon, Mr. President Duran-Ballen. I am Edgar Vazquez from TeleAmazonas. It is not very clear whether the name Andean Integration System is the new denomination of the Andean Pact or whether [words indistinct] a single name. Does this mark the end of the Andean Pact and the beginning of a new stage with the Andean Integration System? Moreover, the reforms that have been implemented have a direct impact on the Cartagena Agreement Board. Have you implemented the debureaucratization of the Cartagena Agreement Board? What is the objective of debureaucratizing the Cartagena Agreement Board, which up to now has been the heart of the so-called Andean Pact?

[Duran-Ballen] During the meeting we held and in the opening statement I just made on behalf of the group, I said that like with any human activity, there is a need for improvment and enhancement. I also said we needed to produce much more and better for less.

In view of this, the Andean Pact member-countries believe it is necessary to improve it. If we are demanding that our countries modernize themselves, we have to give the example by modernizing our institutions, including multinational institutions such as this one.

One of the proposals raised at the previous summit, and which is also applicable to the Andean Pact, had to do with the presence in Latin America of a series of official, semi-official, governmental and nongovernmental institutions and groups that have duplicate activities. Many times one nullifies the actions of the other.

In line with this and the Rio Group recommendation, which to some extent was also affirmed by the Andean Pact, our basic recommendation is to modernize Andean Pact operations.

The Andean Pact will continue. This is not a new organization. We are trying to make it more effective so that it may represent the true spirit that compelled us to establish it 25 years ago.

[Landivar] The following question is by Ms. Cecilia Prado from EcoMexico.

[Prado] President Sixto Duran-Ballen, one of the objectives of this afternoon's working meeting was to seek mechanisms to improve the effectiveness of Andean Pact institutions, such as the Cartagena Agreement Board, the Andean Parliament, the Andean Court. Which mechanisms have been adopted for implementing these changes if these institutions are to be reassessed and their effectiveness improved?

[Duran-Ballen] The act that was signed today establishes a timetable for actions that will be adopted by Andean Pact officials and member-countries to achieve these goals. This timetable establishes actions to be carried out for the remainder of the year, and what will be done in the first quarter of 1996.

As the Peruvian president has informed us, this is one of the reasons for holding a meeting of the Council of Presidents by the end of the first quarter. This is to be followed by several other undertakings to be implemented during the second quarter of 1996 for this purpose.

The Bolivian president has indicated he would like to add something on this issue.

[Sanchez de Lozada] I believe there are three issues: [passage indistinct] the Andean court would have jurisdiction over individuals or corporations with problems because the Andean Pact agreements are not being fulfilled [passage indistinct] the Andean Court is currently a court that solely deals with [words indistinct]

Finally, we were unable to address the Andean Congress issue because this has much to do with the respective legislative branches of our countries. They want to find a way to become a legislative and control institution at the Andean level and not exclusively at the national level.

These entail drastic changes that must be looked into in detail and regulated. We want to be able to discuss and approve them at the presidential summit to be held in Lima, Peru in the first quarter of 1996.

[Landivar] Mr. Carlos Ochoa from the Ecuavisa Network. He will address his question to the president of Peru.

[Ochoa] Good afternoon, Mr. President. The president of Ecuador has just said that the Andean Pact is still in force. The discussion here today centered on reforms and improvement.

In your capacity as Andean Pact pro-tempore secretary, can you guarantee that all the good intentions that were signed here today will be put into practice? I am asking you this because it seems that the good intentions included in the declarations on issues addressed in the six previous meetings remained just that; they are what observers have described as rhetoric. I am also posing

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

this question to you because people wonder whether Peru will comply with what is enacted by the Andean Pact.

[Fujimori] These types of meetings never reflect the progress that is achieved, but tremendous progress has been achieved in the time that has elapsed from the Barahona [not further identified] meeting to the Quito meeting.

For example, before there was talk about harmonizing economic policies. This is included in the Quito Declaration. This is not mere rhetoric because each member country of the Andean Pact continues to work on this policy. To harmonize social policies, to integrate our countries through a proper infrastructure, is not rhetoric, either.

In the last few years, to a greater or lesser degree, each of our countries has achieved progress in the implementation of profound economic changes. In view of this, we can now envision the implementation of what was established in the Barahona declaration and achieve the strengthening of the Andean Pact.

I said that Peru does not have one foot in the Andean Pact and the other out; it has both feet firmly in the Andean Pact. It is acting as an observer because there are obvious disagreements. This is natural among five countries that upheld different economic policies, different customs, etc. Nevertheless, each of the member countries has achieved progress. In view of that, we can now assert that we are about to have a strong Andean Group.

Although we have signed free zone agreements at the bilateral level, I said that Peru is somewhat marginated from the free trade zone agreement because there are still pending technical problems that must be overcome. Nevertheless, efforts are being made so that, in a relatively short period of time, we may achieve agreements.

I am referring, for example, to the common customs tariff. Some member countries have rates ranging from 0 to 35 percent, while others have rates ranging from 5 to 10 percent. Peru has an average 16-percent customs tariff, but more than 95 percent of its products have a customs tariff of 15 percent.

If because of a political-technical decision, Peru says, for example, that instead of 15 percent we will implement a 10 percent custom tariff, we would be implementing a customs rate similar to that established in Bolivia, while other countries would probably shorten this gap. This entails a process in which, as has been shown, all of us must make an effort.

[Landivar] Mr. Juan Carlos Calderon, from the ANSA news agency, will now address a question to the Ecuadoran president.

[Calderon] Good afternoon, Mr. President. In the Quito Declaration, the Rio Group protested the French nuclear tests, and you have personally reasserted this protest. My question is this: What will the Ecuadoran Government specifically do in view of the detonation of the first bomb? Will it only lodge a verbal protest?

[Duran-Ballen] What would you like the Ecuadoran Government, as well as the other governments represented here, to do? Should we declare war on France? I think your question should hint at what you would like not only me, but all the presidents, to do. We may protest energetically, we may resort to all possible means, but unfortunately, given the current world situation — and the best proof of this is what has happened — as long as France does not sign the treaty, which it has promised to sign, it feels it can carry out as many tests as it likes. Therefore, I believe this protest conveys our belief that this, unfortunately, is an act against mankind, and we have stated this right from the beginning. One possibility, not only for Ecuador, but probably for all of Latin America, is to seek a group of volunteers who will go to the site where the tests are being carried out. The presence of these vounteers and other human beings may dissuade France from carrying through with the tests."

We have witnessed how organizations such as Greenpeace and others have mobilized ships and resources where they thought the test would be held, but unfortunately, France is determined to conduct the test.

[Landivar] The last question is by Ms. Carolinas Navas from Gamavison, who addresses a question to the president of Peru.

[Navas] Good afternoon, Mr. President. We would like to know how viable the agreements achieved today within the framework of the Andean Pact are in view of three basic facts; namely, the prevailing disputes between Ecuador and Peru; the fact that, after 25 years, the Andean Pact has been unable to consolidate itself or achieve international representation; and the fact that the Rio Group may achieve such proportions that it may very well absorb the Andean Pact.

[Fujimori] The last supposition is not true because the Rio Group is a political consultation group at the presidential level; it is not an economic integration organization. Therefore, it is impossible for the Andean Group to be absorbed by the Rio Group.

It is true that the Andean Pact has been virtually stagnant for approximately 15 to 18 years. It was relaunched

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

when each of the member countries made the political decision to achieve progress through the adoption of specific measures.

A journalist was previously referring to the fact that the declarations issued were mere rhetoric. This perhaps was the situation in the past, but now we have established the proper framework. Furthermore, we have timetables that are closely enforced.

The dynamic of the Andean Pact is reflected by the summoning of the Eighth Andean Pact Presidential Council.

Moreover, the situation with regard to Ecuadoran-Peruvian ties should not affect the future consolidation of regional integration because we are striving so that our two countries achieve an agreement. We will probably be unable to achieve all the objectives we would like to accomplish in the short term, and this is understood by the two parties, but this does not pose an impairment in terms of the consolidation of the Andean Pact. The consolidation of the Andean Pact will also strengthen friendship ties between Ecuador and Peru.

[Landivar] The president of Bolivia would like to add something on this issue.

[Words indistinct] In the last few years, trade among Andean Pact member countries has increased by 30 percent and with the rest of the world by 3 percent. This shows that the institution is very important to Bolivia. [word indistinct] the Andean Pact's exports of non-traditional goods encourage and allow us the correct great structural problems due to the tin burden. Moreover, we must not forget that aside from any other pact, be it Mercosur [Common Market of the South] or NAFTA, the Andean Pact has organs such as the Court of Justice and the Andean Development Corporation. Even its parliamentary aspect makes it a very vital institution, an institution of hope. This is the reorganization of a pact founded 25 years ago that has many achievements we must rescue and implement. I believe it has a great future, and that it will be an important protagonist of the hemisphere's integration process.

[Duran-Ballen] Ladies and gentlemen, I would like to add a few words on the subject. Undoubtedly the Andean Pact has experienced the relative success just mentioned by the Bolivian president. However, it could have achieved much more had it not been for the fact that it was founded at a time in which politics and viewpoints regarding what the economic development of our countries should be were different. Let us recall that, according to the decision of the member countries — because at that time the theory that prevailed was that the state should do everything, should administer industries, etc, etc. —, among other things, the Andean Pact tried import substitution. Obstacles and restrictions were imposed on foreign investment. The best proof that, despite this, a certain development was possible, and that it could have been greater, is by comparing what happened during the past 2 or 3 years in all our countries. Since all restrictions on foreign investments were lifted, since trade was freed, exchanges have increased noticeably. Just look at what is happening currently between Ecuador and Colombia, Ecuador and Venezuela, and Colombia and Venezuela, where the elimination of these restrictive policies imposed by the Andean Pact is now allowing the implementation of the integration process. This is what the Andean Pact, with its reorganization and new rules, seeks.

The president of Peru has told us that the necessary steps are being taken to resume trade, and hopefully we will not only increase our trade with Bolivia and Peru, but convince Chile to rejoin the Andean Pact, because Chile is one of the Andean countries. Thank you very much for your presence. We will keep you informed about any other steps taken regarding these summits as soon as things start happening. Thank you very much, and good evening. [applause]

Bolivia Hopes To Serve as 'Bridge of Integration'

PY0609180395 Buenos Aires TELAM in Spanish 1606 GMT 5 Sep 95

[FBIS Translated Text] Quito, 5 Sep (TELAM-SEM) — Within the framework of the Ninth Rio Group Summit, Bolivian Foreign Minister Antonio Aranibar today said Bolivia is bound to serve as South America's bridge of integration.

Therefore, the minister reviewed Bolivia's proposal of implementing the integration of the Common Market of the South (Mercosur) with the Andean Pact to achieve a goal approved during the Summit of the Americas in December 1994 of establishing a free trade zone throughout the Americas in the year 2005.

The Bolivian proposal "is the result of a national attitude of Bolivia." As Bolivia "is located" in South America's "geographical center, it is naturally bound to play the role of a contact country, a bridge of integration."

Aranibar said "the idea of achieving a final encounter of the two integration processes — the Mercosur and the Andean Pact — follows a globalization trend of the international economy that prompts regionalization processes" such as NAFTA, involving the United States, Canada, and Mexico; the European Union; or the integration processes existing in Asia.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The foreign minister said: "Latin America and the Caribbean cannot miss out on these processes. Therefore, the Andean Pact (Bolivia, Colombia, Ecuador, Peru, and Venezuela) and Mercosur (Argentina, Brazil, Paraguay, and Uruguay) have to establish approach, articulation, and convergence mechanisms."

Aranibar noted his relationship with the two organizations. He emphasized that his country intends to establish "an energy integration tie," exporting gas to Mercosur. Therefore, "a special association process" will be established with Mercosur, accepting a free trade zone, but not a customs union.

With regard to the Andean Pact, the Bolivian foreign minister emphasized: "We have been a member since its establishment." He ruled out the possibility of leaving the Andean Pact as "it is a fundamental mechanism for exporting nontraditional products" and "has a very dynamic trade flow."

Frei, Sanchez: Bolivia, Chile 'Must Wait' To Resume Ties

PY0709035795 Madrid EFE in Spanish 1003 GMT 4 Sep 95

[FBIS Translated Text] Quito, 4 Sep (EFE) — The presidents of Chile, Eduardo Frei, and of Bolivia, Gonzalo Sanchez de Lozada, have agreed that the two countries "must wait until the necessary conditions are given" to resume their diplomatic ties.

Sanchez de Lozada and Frei took advantage of their visit to Quito to participate in the Ninth Rio Group Presidential Summit to meet and review relations between their countries, always conditioned because their diplomatic ties remain severed.

After the meeting, which lasted 75 minutes, Sanchez de Lozada said that the Bolivian and Chilean governments are trying to establish "a dialogue of understanding that will permit their (diplomatic) relations to be permanent" when the two countries decide to resume them.

"It is obvious that we cannot set dates" to resume our diplomatic relations, the Boilivian president said, and added that "the necessary conditions have not yet been given."

Frei agreed with his Bolivian counterpart, stating that "the most harmful point for the two countries would be to set dates and to mention problems that have not yet been solved."

"We have gone through a history of disagreements and now we are trying to reach an agreement," the Chilean president said with regard to his country's relations with Bolivia.

The governments of Santiago and La Paz have kept their diplomatic relations severed because of the Bolivian demand to recover its former coast, now in the hands of Chile.

Bolivia, in alliance with Peru, suffered a defeat and the loss of its coast to Chile in the 1879 Pacific war.

Although Bolivia acknowledged, through the 1904 treaty, the loss of its coast, it has never stopped demanding its right to have an outlet to the sea and asking Chile for its lost territory.

Diplomatic sources told EFE that Frei and Sanchez de Lozada, during their meeting in Quito, tried to set the groundwork for a process to solve the disagreements between the two countries.

They added that the Chilean Government is willing to offer Bolivia a corridor to the sea, including one of its choice, "but without sovereignty."

Moreover, the La Paz government seems to be ready to resume diplomatic ties at any moment, but the Santiago government fears that this resumption might be hasty and represent a stumbling block that could cause a new severance shortly afterward, according to the sources consulted by EFE.

The two countries seem to be willing, therefore, to gradually set the groundwork for an agreement that will allow them to establish permanent relations.

Ever since Frei and Sanchez de Lozada assumed the presidencies of their respective countries, they have taken advantage of all opportunities, such as international gatherings, to hold meetings.

In none of these cases have they publicly admitted to having discussed concrete proposals of one or the other country to solve the territorial conflict that is affecting them.

Last Friday, Chilean Foreign Minister Jose Miguel Insulza said that the Bolivian landlocked situation was not on the Chilean agenda for the meeting in Quito between Sanchez de Lozada and Frei.

Insulza said that to date, the meetings between the two presidents have always been held with an open agenda, in which all integration issues and the pending economic problems between the two countries have been discussed.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Haiti

Prime Minister Wants To Influence U.S. in Nation's Favor

PA0609191395 Port-au-Prince Signal FM Radio in French 1030 GMT 6 Sep 95

[From "The Waking Up Newscast"]

[FBIS Translated Excerpt] Haitian Prime Minister Smarck Michel and his delegation departed for Washington on 5 September. The eight-man mission will meet U.S. Government, IMF, and Inter-American Development Bank officials and U.S. businessmen. Michel gave assurances before leaving the country yesterday that the delegation will try to influence U.S. policy in Haiti's favor. Michel confirmed that privatization will be discussed, pointing out that the high-level Haitian delegation is visiting the United States as part of the Haitian Government's plan to obtain the economic assistance needed for the future national budget. Michel said that privatization of state-owned enterprises is irreversible. [passage omitted]

President, Grassroots Representatives Meet on Privatization

PA0609195295 Port-au-Prince Signal FM Radio in French 1030 GMT 6 Sep 95

[From "The Waking Up Newscast"]

[FBIS Translated Text] President Jean-Bertrand Aristide met grassroots and union representatives in the Red Room of the National Palace on 5 September. About 50 grassroots representatives met to discuss privatization, which has been in the headlines for several days. Several personalities close to the executive — in particular, to the government — participated in this meeting. As I said, the meeting focused on privatization. Union representatives from Teleco, Haiti Electricity, Haiti Flour Mill, Haiti Cement, and the Autonomous Metropolitan Office of Drinking Water were present. Union representatives commented on the meeting with the Haitian head of state on the privatization program:

[Begin unidentified speaker recording, in Creole] The Constitution provides us with the tools to fight privatization, including two articles that allow for a legal battle. Article 250 reads: They cannot give a state, a territorial community [words indistinct] monopoly (?unless) it is in the interest of society only. This monopoly cannot be passed on to a private individual. We know that Haiti Cement and Haiti Flour Mill are monopolies. Article 252 reads: If any enterprise that provides essential goods or services to the community finds itself in danger, the state can step in to ensure that it continues to operate. The state will then develop an integrated management system for such enterprises. This is in regard to enterprises with problems. [end recording]

President Aristide said that he simply decided to meet several grassroots representatives in an effort to promote a transparent privatization program:

[Begin Aristide recording, in Creole] The press has the right to report to the entire country on what it heard today. It heard the voices of unions, people's organizations, and associations working so that democracy can be established in the country and so that the country's economy can advance in accordance with their wishes. I am more interested in the people hearing what their children have to say than what I have to say today. We always speak of participation, transparency, and justice. If you have spent so much time together around the table, it is with the spirit of participation so the light of transparency can extend. The more the country's children hear what was said here — so that they can make their own comments and agree or disagree in part or altogether with what they hear — the more we will be able to continue the work together so that the wishes of the Haitian people and not just one person are served. I would like those journalists awaiting my statement to realize that they have already heard statements this morning [words indistinct] I am more interested in having the entire Haitian people hear what we shared here today. [end recording]

The Haitian head of state's meeting with grassroots and union representatives on the privatization program was held behind closed doors. This is the second time that Jean-Bertrand Aristide has met representatives of grassroots organizations.

Arrests Reported for Killing of Illegals at Sea

PA0709034095 Mexico City NOTIMEX in Spanish 0032 GMT 7 Sep 95

[FBIS Translated Text] Port-au-Prince, 6 Sep (NOTIMEX) — Haitian police have arrested 16 illegal alien smugglers for their alleged involvement in the murder of approximately 100 people, thrown into the sea during a trip to the Bahamas, security sources reported today.

According to the sources, the group, engaged in contraband and the illegal transfer of emigrants, overloaded a ship with passengers who were even traveling in the engine room.

During the voyage, which took place last August, the boat began to sink, so the smugglers threw approximately 100 people overboard, whom they pushed and beat, the spokespersons indicated.

Sources at the UN High Commissioner for Refugees (ACNUR) confirmed the incident after interviewing illegal aliens repatriated from the Bahamas, and stated that Bahamian authorities reported the finding of at least five bodies.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Chile's Frei Arrives, Comments on Ties, Possible Accords

PA0609142095 Mexico City XEW Television Network in Spanish 0430 GMT 6 Sep 95

[From the "24 Hours" newscast]

[FBIS Translated Text] Chilean President Eduardo Frei arrived in Mexico City two hours ago, at 2035. He was welcomed at the airport by Foreign Secretary Jose Angel Gurria.

[Begin recording] [Frei] We are very pleased, very happy about this invitation from your president and your government. We know this is the first time a foreign president has visited Mexico under President Zedillo's administration. We have a great friendship with Mexico. Our people are brothers, and we hope to consolidate those relations during our three-day visit.

I believe we have a wide range of accords, and our relationship has great possibilities, a great future. We expect to sign a series of important agreements to consolidate that relationship, not only in the trade sector but also in the technological, scientific, education, and cultural sectors. This way we will both be able to work closely for Latin America's development and future and our nations' development.

We are very happy to be here — I reiterate this on behalf of all the delegation. We come with an important group from our country — parliamentarians, government officials, businessmen, representatives of the media, artists, and inteilectuals. It is a complete delegation from Chile that visits Mexico. As you well know, our people have a great affection for Mexico, and we expect to consolidate it in this visit.

We will have the opportunity to talk about specific issues. We have already worked two days in Quito. I was able to talk at length with the president, and I believe we established quite a rapport. We will work hard in the next few days.

[Reporter] What about the meeting in Quito, sir?

[Frei] I believe we will hold a news conference on Thursday afternoon. We will then give details and answer all the questions you may have. [end recording]

President Ernesto Zedillo will officially welcome President Frei tomorrow at 1000, in the National Palace's Honor Courtyard.

Zedillo, Chilean President on Importance of NAFTA Talks

PA0609202195 Mexico City NOTIMEX in Spanish 1842 GMT 6 Sep 95

[FBIS Translated Text] Mexico City, 6 Sep (NOTIMEX) — President Ernesto Zedillo today committed to increasing trade and investment with Chile and stepping up negotiations on Chile's membership in NAFTA. Zedillo welcomed Chilean President Eduardo Frei Ruiz Tagle and his wife, Martha Larraechea de Frei, and the delegation accompanying them, saying that Mexicans and Chileans today share new goals. Zedillo also expressed his interest in a productive consolidation of trade, politics, and cooperation within Latin America.

Zedillo told Chilean public and private entrepreneurs, legislators, and government officials that Mexico and Chile have as much in common today as they did yesterday and will always have in common. The Mexican president said that both countries work hard to deepen democratic development within a strengthened legal state and toward the development of liberties and a civil society. He assured that both countries intend to encourage an exchange of experiences when addressing social ills, since both have the determination and firm basis on which to lend greater importance to hemispheric affairs and to project their presence in the international community. Working together on the bilateral agenda not only will bring the two friendly countries closer but also will make for a better partnership in efforts to contribute to their people's prosperity.

President Frei trusts that his visit to Mexico will help raise the level of bilateral relations by strengthening common political interests, developing broadly their economic and commercial association, and making best use of comparative advantages. Frei acknowledged the importance of his country's talks with Mexico, Canada, and the United States on gaining access to NAFTA. Technical meetings on this issue are currently being held in this capital. He believes that his participation in regional integration processes and the participation of Chile and Mexico in the Asia-Pacific Economic Cooperation forum show a common resolve to cooperate in the move toward an open international economy. With this visit, Frei said that he hopes to help unite the peoples, strengthen the ties between the two governments, and discover new association prospects for the benefit of the inhabitants of both nations. He said: We will have the opportunity to exchange ideas and opinions on the development process in both countries, particularly both nations' war on poverty.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Following the official reception, both presidents reviewed the honor guard and held their first round of private talks.

Government Coordinator, EZLN Commander Preview Talks

PA0609133795 Mexico City XEW Television Network in Spanish 0430 GMT 5 Sep 95

[From the "24 Hours" newscast]

[FBIS Translated Text] A new phase in the peace talks will begin tomorrow in San Andres Larrainzar, Chiapas State.

[Begin recording] [Unidentified reporter] The delegation representing the government in the San Andres Larrainzar talks said on Monday that all topics, national and local, can be discussed at the negotiation table.

In an interview with Televisa, Government Delegation Coordinator Marco Antonio Bernal said the EZLN [Zapatist National Liberation Army] is one more protagonist among a large number of political protagonists in Mexico, and as such is entitled to voice its views on national topics.

[Bernal] That means we are prepared to hold talks with the EZLN on national topics, but we cannot reach an agreement with them here and make commitments with the EZLN here because that group is not the sole political protagonist that exists in this country.

[Reporter] Meanwhile in San Andres Larrainzar, after the EZLN delegates arrived, Bishop Samuel Ruiz Garcia, the National Mediation Commission [Conai] chairman, said Conai expects that during this sixth meeting there will be breakthroughs leading to peace.

[Ruiz] This hope is based on the observation that a new opportunity for the talks is being created, represented in the achievements attained through the different activities by different segments of the population.

[Reporter] Ruiz commended and called on the civilian population not to stop asking for a peaceful solution to the conflict and noted Conai's concern over the violence that has been reported in Chiapas against peasants who are demanding land and the creation of the unofficially named Force and Reaction police corps. The EZLN delegation voiced its willingness to reach accords in this dialogue. Commander Tacho referred to the participation of the civilian population in the national referendum summoned by the EZLN.

[Commander Tacho] We have accepted and clearly understood the effort made and the participation of the people. We hope that today the government and its delegation may understand the participation of this large majority of the civilian population. It is the civilian population who are again opening a new opportunity to have a true dialogue and a just peace in which there is room for all Mexicans, where all Mexicans can say and present all the problems we have suffered.

[Reporter] The sixth round of the San Andres Larrainzar talks will begin on Tuesday at approximately 1000. [end recording]

Government, EZLN Peace Talks Resume

PA0709033895 Mexico City XEW Television Network in Spanish 0430 GMT 6 Sep 95

[Report by Juan Sebastian Solias; from the "24 Hours" newscast]

[FBIS Translated Text] The EZLN [Zapatist National Liberation Army] delegation five minutes ago read two [as heard] letters delivered to it by the Harmony and Peace Commission [Cocopa].

In its letter, Cocopa stated it concurred with the interest of President Ernesto Zedillo of incorporating the EZLN into the national dialogue on state reform, and that it would like to know the opinion of the armed group's delegation on this proposal. The delegation responded that it will participate, but that it does not know if it will give a formal reply during this dialogue or in the next one.

In addition, the work of the sixth phase of the San Andres Larrainzar talks tried a new negotiation dynamics to accelerate the dialogue process. Each side has made a proposal, and Conai [National Mediation Commission] will have to abridge and submit them tomorrow to each delegate, so they can discuss, in a plenary meeting, the best way to conduct this phase of the negotiations.

On one side, the EZLN is asking that the procedure rules be maintained. The government delegation wants to get into the causes that gave rise to the conflict. That is the information we have.

According to the government delegates, the dialogue is starting in a cordial manner. Optimism exists that there will be specific results on this occasion.

Quotas on Sheet Metal May Continue Despite NAFTA Ruling

PA0109140195 Mexico City REFORMA in Spanish 31 Aug 95

[Report by Cesar Sanchez, Gerardo de la Torre, and Juan Antonio Lara — received via Internet]

[FBIS Translated Text] The National Chamber of the Iron and Steel Industry (Canacero) is confident that

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the Commerce and Industrial Development Secretariat (Secofi) will continue to apply compensation quotas to all sheet metal imported from the United States, despite a recent ruling by the binational panel against Mexico and favoring U.S. steel companies such as Bethlehem Steel Corporation and USX Corporation.

Canacero President Julio Cesar Villarreal stated that Secofi is empowered to either accept the panel's ruling or continue applying compensation quotas.

Yesterday, the secretariat headed by Herminmio Blanco lost the commercial controversy in the Mexico-U.S. binational panel. The NAFTA arbitration court, which was responsible for investigating the controversy, issued a recommendation indicating the illegality of a Secofi ruling that had decided to apply quotas to sheet metal originating from the United States.

"As a sector we must support Secofi 100 percent and wait to see what position it will adopt in light of this ruling," Villarreal indicated.

He also stressed, "We must now support our institutions in validating their resolution (to apply compensation quotas to U.S. cement companies), on which they based their decisions."

A board member of Altos Hornos de Mexico (AHMSA), the country's main sheet metal plate manufacturer, pointed out that the company is currently evaluating the resolution in order to afterward adopt a decision.

In the meantime, members of the Industria Monterrey (IMSA) board of directors commented that the company is not affected by the controversial ruling because they do not manufacture the product. However, IMSA is expecting the incorporation of a new member of the binational panel who is expected to rule with respect to flat-coated steel plates, which the company does manufacture.

NAFTA stipulates that in case the Mexican Government decides not to abide by the binational panel's decision against Secofi on the steel issue, then Chapter XIX of the trade agreement related to solving controversies will then be void. In addition, other benefits obtained during the tax reduction period could also be lost.

The text of the NAFTA agreement negotiated between Mexico, the United States, and Canada stipulates in its Article 1905, paragraph 8 of Chapter XIX as follows: "The claimant party is entitled to suspend, as relates to the defendant party, Article 1904 (solving controversies); or the use of benefits derived from the treaty as circumstances may dictate."

If the Mexican Government does not comply with the ruling, the binational panels in which Mexican exporters participate in the United States, on steel, cement, and leather garments cases, could be suspended.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Guatemala

Head of Human Rights Deputy Commission on UN Report

PA0109011595 Guatemala City Teleonce Television in Spanish 0400 GMT 30 Aug 95

[From the "Telepress Newscast" — broadcast in progress]

[FBIS Translated Text] ...independent [words indistinct] of the United Nations analyzed the Guatemalan situation during the last meeting of the Human Rights Deputy Commission held in Geneva, Switzerland. Vicente Arranz, president of the Presidential Commission for the Coordination of Human Rights Affairs of Guatemala, has commented on the most important conclusions of that analysis:

[Begin Arranz recording] The concern of the experts regarding Guatemala's human rights situation is presented. Four or five points are spelled out that are very interesting and fitting to emphasize. First, for the first time in Geneva, for the first time in the history of the experts it is stated that the URNG [Guatemalan National Revolutionary Unity] has also violated the universal human rights agreement. Some of the URNG's efforts are acknowledged, and the URNG is urged to continue those efforts in order to avoid injury to civilians. I believe recognition of the URNG as a violator of the universal human rights agreement is one of the fundamental contributions of that commission. A second contribution is the unmistakable support given to the peace effort, exhorting the two parties to end the conflict as soon as possible. A third interesting point is concern that human rights are something to be shared by all society; that is, it is a situation in which there exists not only a unilateral but a multilateral responsibility covering many factors.

Much encouragement is given to the continued support of international organizations, international assistance, recognition of independent expert Monica Pinto, and of the Minugua [UN Mission for Guatemala] verification mission.

A fifth point is recognition of Guatemala's support of these recommendations, which is an expression of the government's political will.

As I said at the beginning, it is also acknowledged with some concern that there are still certain instances of human rights violations, and there is renewed insistence on the issue of impunity and the carrying out of justice. [end recording]

Nicaragua

General Cuadra Comments on San Andres Dispute

PA0709042795 Panama City ACAN in Spanish 1911 GMT 6 Sep 95

[FBIS Translated Text] Managua, 6 Sep (ACAN-EFE) — Army Commander in Chief Joaquin Cuadra today said that the fact that Colombia does not want to bring up the dispute over the Caribbean islands at the negotiations table does not mean that Nicaragua will not include the issue in its agenda.

"In fact, I know that it is part of (Dona Violeta) Chamorro's agenda," he added.

In Santa Fe de Bogota, Colombian President Ernesto Samper today said that Colombia's rights in San Andres and Providencia islands, claimed by Nicaragua, "are not in dispute."

President Samper added that negotiations agreed in Ecuador by both countries will not question the sovereignty over the Caribbean islands.

Interviewed by ACAN-EFE, General Cuadra said "the fact that (President Ernesto) Samper has not included the issue in his agenda does not mean that President Violeta Chamorro will not include it in hers."

Gen. Cuadra noted President Samper "may not want to talk about it, but if Dona Violeta (Chamorro) brings up the matter, he will have to talk about it."

"In fact, when a dispute of this nature exists, it can be resolved through dialogue and negotiations," Gen. Cuadra said.

After pointing out that the executive is responsible for handling the foreign policy, Gen. Cuadra defined as "mature and assertive the government's decision to take (the claim) to the negotiating table and discuss the issue, even though the other party has not included it in its agenda."

In regard to the tasks of military surveillance in the Caribbean territories, Gen. Cuadra noted that the Nicaraguan Naval Force, which is in charge of protecting the sovereignty "of our territorial sea," will be reinforced in the next few years. He said the Naval Force reinforcement "will not be to fight with the Colombian frigates and boats located there." He added: "Our purpose is to increase our capability of fighting drug trafficking, piracy, and terrorism."

Gen. Cuadra underscored that a collateral task of the Naval Force is exercising sovereignty "in those waters in dispute."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Gen. Cuadra also said that regardless of the fact that the military and Nicaraguans in general want to defend the national territory at any cost, "we insist that at present, a military confrontation is not the best way to solve this type of conflict."

Gen. Cuadra believes this type of conflict must be solved by means of political negotiations, or by turning to international organizations, or seeking the mediation of countries, "who are friends of Nicaragua and Colombia and are willing to help in the solution of the dispute."

To conclude, Gen. Cuadra noted that "sooner or later this conflict (with Colombia) will be solved without bloodshed from Colombians or Nicaraguans."

The dispute between Nicaragua and Colombia for the San Andres Archipelago intensified two weeks ago after the Colombian government issued a new map pointing to the 82 Meridian as the border with Nicaragua in the Caribbean.

The Nicaraguan government issued a formal protest and rejected the map after asserting the document is a grievance to Nicaragua's interests over its continental shelf and exclusive economic zone.

Gen. Cuadra made this statement after signing an agreement with the World Union for Nature [Union Mundial para la Naturaleza] to train soldiers in the protection and control of Nicaragua's natural resources.

Proposal for New Department Described

95CA0357A Managua LA TRIBUNA in Spanish 19 Aug 95 pp 1A, 5A

[Article by Rosario Montenegro]

[FBIS Translated Text] The bill to create a 17th department in the country will be completed and ready to send to the National Assembly in the next two weeks, LA TRIBUNA has learned from Santiago Rivas Leclair, minister-president of the Nicaraguan Municipal Development Institute [Inifom].

Rivas Leclair stated that Zelaya Central will be made up of the municipalities of El Rama, Nueva Guinea, Muelle de Los Bueyes, and the current district of El Ayote. The latter will be elevated to the category of municipality, and will cover a territory of 800 square kilometers.

He indicated that it was originally planned to assign 1,500 kilometers to El Ayote, but the area was reduced to 800 because the district of Waupi may eventually be turned into a municipality. This would mean that Zelaya Central would be comprised of five municipalities.

El Almendro, on the other hand, had initially been included as part of the new department, but it will be part of Rio San Juan again.

The Inifom president stated that the residents of these towns and cities have been calling for the creation of Zelaya Central since 1991, and in 1993 the president of the republic pledged in Nueva Guinea to carry out this project before her term of office ends.

He explained that subsequently a government commission was appointed, consisting of the directors of Inifom and the Nicaraguan Institute of Territorial Studies [Ineter], the vice minister of the interior, and a legal adviser from the president's office who has been working on a study of the area.

Rivas indicated that this commission met last Monday with the mayors and city councils of El Rama, Nueva Guinea, and Muelle de los Bueyes, and now the only real decisions left to be made are where the seat of government will be and whether it will be independent or under the jurisdiction of the South Atlantic Autonomous Region [RAAS].

He stated that the departmental seat will be either El Rama or Nueva Guinea, but the former appears to have the edge in the final decision because it is older. The latter, on the other hand, is better developed economically.

Rivas noted that if El Rama is selected as the seat of government, it will have to move closer to La Esperanza to avoid the problem of flooding.

As for the protest lodged by the RAAS Regional Council, he indicated that once the bill is completed, it will be formally presented to the council, and it will be made clear that the citizens of these places themselves have requested the legislation.

The area has sufficient economic resources to become a new department, he said, and this will also enable residents to have their own government offices and not have to continue transacting business in two places, Chontales and Bluefields.

If the National Assembly passes the bill, all of the local offices of the executive branch, the Public Registry of Property, and local courts will be established. Of course, the present law on the country's political-administrative divisions will have to be revised.

Once this bill is completed, the commission will begin conducting studies with a view to creating other municipalities, such as Mulukuku, Ciudad Sandino, El Coral, and Tecolostote. The latter appears to be the least likely to become a municipality.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Along other lines, the head of Inifom announced that in the next three months, maps showing the boundaries (delineations showing degrees and minutes) of each municipality will be published. This project is also being carried out by the aforementioned commission.

The cost of publishing the maps and implementing the new law will be about 130,000 cordobas, which is now being requested from the Finance Ministry.

Rivas noted that this will mark the end of the work assigned to the special commission, which has also been looking into more than 150 boundary disputes, of which about eight remain unresolved.

Since the city councils could not agree on these cases, the commission used the original boundaries in drawing up the maps. If they disagree with the results, they can appeal to the Supreme Court of Justice.

Among the boundary disputes that have not been resolved are: Jinotega-La Dalia, Mateare-Nagarote, Diria-Diriomo, and Boaco-Camoapa.

Fiallos on Election Reforms, Budget

95CA0357B Managua LA TRIBUNA in Spanish
20 Aug 95 p 2A

[Interview with Mariano Fiallos Oyanguren, president of the Supreme Electoral Council, by Xiomara Chamorro; place and date not given]

[FBIS Translated Text] "Uncertainty is the principal problem facing the Supreme Electoral Council [CSE]," Mariano Fiallos, the president of that entity, told LA TRIBUNA. He urged the other branches of government to resolve their differences as soon as possible.

"There are no clear rules for the electoral process that is approaching, and clear rules are essential for the normal development of elections," he stated.

Fiallos did not rule out the possibility that international drug money may play a role in the election campaign. "It is a potential problem," he said, although he expressed confidence in the political parties' ability to prevent it from happening.

Barred from making any decision, the electoral entity has its hands tied. It cannot even decide on its own budget until the Electoral Law is reformed.

Fiallos pointed out that the institutional crisis revolving around constitutional reforms and appeals to the Supreme Court of Justice on the grounds of unconstitutionality are other elements that have hindered the work of the CSE.

"There are a number of questions that remain unanswered, and we need an answer one way or another so that we can get to work," declared Fiallos. All of these issues are covered in more detail in this interview with LA TRIBUNA:

[Chamorro] What are the salient points of the suggestions made by the CSE with regard to amendments to the Electoral Law?

[Fiallos] We have proposed three types of amendments. The first are obligatory amendments, arising out of constitutional reforms. A second type of amendment proposed by the CSE through the executive branch is related to citizen identity documents; and the third type has to do with the political demands we have perceived in the current situation.

Another aspect we are stressing has to do with our budget, which as yet we have been unable to adopt. Right now we need seven ballots if we consider the election of the president and vice president, national and departmental deputies, mayors and vice mayors, departmental councils, the Central American Parliament, and the runoff elections.

We do not know whether that system of one ballot for each election will be maintained, or whether some of them will be combined, because the parties have suggested different things in meetings with us. This affects the drafting of the budget, because each ballot used by a citizen costs about US $0.44; that means that 2.5 million ballots cost $1.1 million, and if we use seven ballots, then we have to multiply that by seven, or by whatever number of ballots we are going to need. So we cannot ask the government or possible donors for the necessary funds, because we do not know the final amount. I call that uncertainty, indecision that must be cleared up, because although the elections are not till next year, the CSE has to get to work right away.

[Chamorro] Some deputies have expressed their disagreement with the figures presented by the CSE with respect to the funds it administers. They have even said that the CSE has not given a clear accounting. What is your comment on that?

[Fiallos] The CSE does not administer funds; even the so-called Fund for Democracy, which is financed by 50 percent of the tax on donations received by the parties, is subject to oversight by the Finance Ministry and the Office of the Comptroller. In addition, we have internal and external audits, and the funds and their administration have been audited through 31 December 1994. Officials from the Comptroller's Office are always coming around, so the deputies can come at any time and see any reports they want. The problem is, the deputies do not even have any legal responsibility for what they say.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Chamorro] If the National Assembly approves the provision allowing Nicaraguans living abroad to vote, is the CSE prepared to deal with that?

[Fiallos] The CSE's official position on this matter is that there is no legal impediment that would prevent Nicaraguans who are living abroad and have maintained their citizenship from voting in general elections; in municipal elections, residency is required.

If the Assembly authorizes voting from abroad, it will have to consider two requests from the CSE: first, that the fundamental rules for that voting be established, because those are political decisions that should be made by the Assembly; and second, that it take into account the fact that voting from abroad requires time and financial resources that must be available in a timely manner. If these two matters are resolved, we will be ready, willing, and able.

But the fundamental problem is uncertainty about the rules of the electoral process.

Currently there are a number of questions that remain unanswered, and we need an answer one way or another so that we can get to work.

[Chamorro] When does the campaigning begin?

[Fiallos] We have to wait and see how the Electoral Law is amended.

[Chamorro] Do you think the system of two rounds of voting will mean early elections?

[Fiallos] We have asked that Chapter III be modified to allow us to conduct the first round of voting on the latter two Sundays in September or the first two Sundays in October. What I mean is that, under the current Electoral Law, we would have to choose between the last three Sundays in October or the first Sunday in November. So, to give us time for the runoff, and to have enough time for a final vote count so that we will know whether a runoff is necessary, we have asked that the time be extended to cover the latter two Sundays in September, with the latter two Sundays in October for the election date. But that is another bit of unfinished business.

[Chamorro] What is your opinion of the prevailing atmosphere prior to the elections, what with planes being highjacked by drug traffickers, citizens being murdered, apparently in connection with those events, bombs being set at churches, and other tension-creating developments?

[Fiallos] In the past, the CSE was able to organize three elections under extremely difficult circumstances, and I think they could be characterized as models of peaceful balloting. We believe that, with the participation of civil society, we can uphold that tradition of peaceful elections.

[Chamorro] There is fear in some political circles that drug money may play a role in our electoral process. Do you share that fear?

[Fiallos] It is difficult to trace the origin of funds, because it does happen in other countries; it is a possibility in Nicaragua as well.

I personally am confident that our political parties will not get involved in these affairs. But the law is not strong enough to control this type of activity, since it is necessary to provide follow-up and to reinforce the institutions charged with making sure this does not happen—that is, the Office of the Comptroller and the Attorney General's Office—if the facts warrant.

[Chamorro] Some parties prefer to keep quiet about the identity of some of their benefactors. Is that legal?

[Fiallos] It is not possible to keep quiet about the origin of funds without violating the law. It is possible to do so, but it is not legal.

[Chamorro] What is your greatest fear with respect to this electoral process?

[Fiallos] The principal problem right now is that, on the one hand, the institutional crisis revolving around the reform of the Constitution has delayed the work of the CSE. Right now we face indecision on a number of fronts; there are matters that have not been decided, and we have urged a decision. There are no clear rules for the electoral process that is approaching, and clear rules are essential for the normal development of elections. Our main concern at this time is that the drafting of electoral rules is being delayed. On the other hand, public officials and citizens have filed a number of appeals with the Supreme Court of Justice having to do with constitutional matters that affect the electoral Law, as in the case of abstentions [inhibiciones].

That is why I am taking this opportunity to urge the National Assembly, the executive branch, and the Supreme Court to resolve their differences as soon as possible. Moreover, I also call upon the political parties, the media, and civic and religious associations to begin searching for solutions so that this electoral process can culminate in fair and honest elections. In this manner, the new authorities who take office will reflect the popular will.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Panama

Perez Balladares on Meeting With President Clinton

PA0709033295 Panama City Circuito RPC Television in Spanish 2300 GMT 6 Sep 95

[Report by Lucas Aleman from Washington, D.C.; from the "RPC Television News" newscast — passages within quotations recorded]

[FBIS Translated Text] Panama and the United States have agreed to explore the idea of the continuation of U.S. military bases in Panama after the year 2000. President Ernesto Perez Balladares arrived the evening of 5 September at Andrews Air Force Base on board a private flight from Panama City. He was received there by a U.S. diplomatic mission led by Molly Raiser, chief of protocol at the White House, and transported by helicopter to Blair House.

On 6 September, Perez Balladares and his entourage were received with honors at the White House. U.S. President Bill Clinton awaited the Panamanian delegation at the Oval Office, where both presidents held a meeting with the principal advisers. Later, they held a broader meeting in the White House conference room where they discussed issues of importance for both countries.

At the end of the meeting, U.S. President Bill Clinton escorted Perez Balladares to the West Gate of the White House where the Panamanian president gave statements to the press after bidding farewell:

[Perez Balladares] "I want to say we have had very cordial, very interesting, and, I believe, very important conversations on the relations of Panama and the United States with President Clinton and his team. One of the issues we discussed was, obviously, the struggle against drug trafficking and money laundering. We want this effort to become a continental one and an issue that not only includes drug consuming countries but also drug producing countries and countries such as ours, which drug traffickers abuse while smuggling drugs.

We also talked about how the future of relations between Panama and the United States after the year 2000 must be. We also spoke about the possibility of exploring, informally first, whether it is beneficial for the two countries to maintain a degree of U.S. presence in Panama after the year 2000. This point does not involve the beginning of conversations or any formal point; it will just be an exploratory conversation in order to make a decision on the issue as we discuss it later on."

In statements to the Panamanian press, the president commented further on the main topics discussed during his meeting with Clinton and said it was President Clinton who asked to explore the possible permanence of U.S. troops in our country after the year 2000:

[Perez Balladares] "He spoke about the possibility of exploring, informally, the possible permanence of a reduced U.S. contingent after the year 2000, if it is convenient and beneficial to both countries."

In light of the possible negative reaction this proposal may have among other Latin American countries, Perez Balladares said it is too early to worry:

[Perez Balladares] "I think that point has not been accepted yet by any of the parties; consequently, I believe this would be anticipating a situation that has not been formally contemplated."

Meanwhile, Perez Balladares downplayed criticism from opposition Panamanian politicians to this new U.S. offer.

This marks the conclusion of the first day of the official visit by Ernesto Perez Balladares to Washington. The announcement made here that Panama and the United States will explore the possibility of a military permanence in our country after the year 2000 puts Panama on the U.S. political agenda again. In addition, this announcement will spark a great deal of discussion throughout our continent.

Legislators on Possible U.S. Base Negotiations

PA0709033495 Panama City Circuito RPC Television in Spanish 2300 GMT 6 Sep 95

[Report by Hugo Enrique Famania at the Legislative Assembly; from the "RPC Television News" newscast; speakers identified by caption]

[FBIS Translated Text] The sole possibility of analyzing whether the U.S. military bases should remain in the country generates a spectrum of reactions among politicians ranging from those who totally support Ernesto Perez Balladares and those who think that he is mistaken:

[Begin recording] [Legislator Alfredo Arias of the Arnulfist Party] I think that the idea per se is not bad. The nationalism of our fathers and grandfathers is old-fashioned. I think that the world is changing and nationalism is [word indistinct]. The dollar-based economy is advisable for Panama.

[Legislator Victor Mendez Fabrega of the Papa Egoro Movement] We already saw it during the labor code debate. Those who disagreed with the code defended it and those who imposed wanted it rejected. We already

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

said it: Regarding the military bases, those who wanted them to leave are now asking them to stay.

[Legislator Leopoldo Benedetti of the Arnulfist Party] I think that it is a mistake for them to establish a commission to determine which bases or rather whether any should remain in Panama. That should be a decision of the Panamanian people after the year 2000, when all that land reverts to Panama.

[Legislator Oyden Ortega of the Democratic Revolutionary Party, PRD] I think that the commission should emphasize transition of the canal more than their permanence.

[Eduardo Vallarino, Christian Democratic Party leader] I think that this is a defeat for the PRD, because at a given time this party did not want one more Gringo here and wanted all of them to go.

[Legislator Carlos Afu of the Labor Party] The United States has been our permanent ally. I feel that Dr. Perez Balladares is doing the right thing.

[Legislator Olmedo Guillen of the Civic Renewal Party] If we negotiate the permanence of bases in our country, I think that we should first know what the conditions will be and, above all, the payment involved.

[Legislator Balbina Herrera of PRD] I prefer to first see a reversion, as has been happening until now, and if the United States needs a space in Panama, they should pay and pay well.

[Legislator Miguel Bush of PRD] We cannot start to negotiate or explore this possibility with our U.S. counterparts before midday of 31 December 1999. [end recording]

Regardless of the political opinions, what is indeed true is that any decision on the permanence of U.S. bases must be consulted with the people through a plebiscite.

ARI Administrator, President Comment on Reverted Areas

PA0309202295 Panama City EL PANAMA AMERICA DOMINICAL in Spanish 3 Sep 95 p B4

[Article by Jose Mantano]

[FBIS Translated Excerpt] Davis and Espinar (Gulick) military installations officially reverted to Panama yesterday in a ceremony which the U.S. Southern Command described as "an important landmark in the implementation of the 1977 Panama Canal Treaties and the reduction of the U.S. military presence." [passage omitted]

According to Nicolas Ardito Barletta, administrator of the Interoceanic Region Authority [ARI], Panama has reached an agreement with Taiwan "to establish an industrial complex for manufacturing export goods in Fort Davis, beginning with industrial companies from Taiwan."

"The ARI, in cooperation with the Commerce and Industry Ministry, is completing the necessary documents that detail the agreements reached between the two foreign ministers to begin constructing the infrastructure needed on 100 hectares of Fort Davis, so that the installation there of export companies from Taiwan can begin in the first quarter of 1996," Barletta said yesterday.

The ARI administrator, who assured that Taiwan's manufacturing experience and technology has been among the most successful in the world in the last four decades, also confirmed that the Panamanian Government, through the ARI, is also advancing "talks with companies from other countries such as South Korea, the United States, and Chile to establish similar operations in the area."

There are 333 homes which will be put on sale in the coming months, along with 24 barracks, which will be offered to construction firms to be remodeled and converted into apartments "in keeping with the area" and which will be sold to Colon residents.

Panamanian housing officials estimate that these installations will have a cost varying between $25,000 to $40,0000, according to ARI estimates.

The head administrator of the ARI also confirmed yesterday that the rest of the installations will be used to establish schools, churches, recreation and commercial areas, as well as supermarkets, drugstores, and other similar ventures.

Internationally, talks are being held with Touris Consult, a Swiss system of schools for tourism and hotel management, with a number of campuses throughout the world, to establish in the small hotel in Espinar its Regional Tourism School for Latin America."

That would be the first institute of higher leaning to be located in the reverted areas, within the framework of a project that the Panamanian Government has called "The City of Knowledge."

"We trust that with the support of the Inter-American Development Bank [IDB], the Touris Consult Institute will be located in Espinar in the beginning of 1996," Barletta said.

Barletta also confirmed the development of the concept of a multiple-use hotel in the former School of the Americas "which could be developed by a Panamanian private company."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

While all this is occurring, the police will be in charge of the security and maintenance of Davis and Espinar, together with what is described as the support of important institutions such as the IDAAN [National Water and Sanitation Institute], IRHE [Institute of Hydraulic Resources and Electrification], INTEL [National Institute of Telecommunications], DIMA [Metropolitan Sanitation Directorate], and local authorities, which will join the international specialized company Electro Systemas/ Dyn Cor, which has been contracted to ensure the maintenance and safety of the installations.

Yesterday, President Ernesto Perez Balladares recalled that in a few days, the Torrijos-Carter Treaties will be 18 years old, "which means that many Panamanian that were not yet born when the treaties were signed will be reaching legal age."

"Today, those young men are witnessing one of the most important reversions foreseen in that long transition period," President Perez Balladares said, and he added that the occasion makes it evident that "just as my generation grew up alongside the former Panama Canal Zone, the current generation has only experienced the process of its dismantling.

Perez Balladares affirmed, nevertheless, that that confronts us with another basic issue.

"When the treaties were signed in 1977, to many a person it seemed as if 22 years were a disguised perpetual period. Today, we are running against time because what before seemed to be a very distant point in time, now it appears, in its entire magnitude, as a tangible reality," Perez Balladares said.

Yesterday, Perez Balladares acknowledged that "the eyes of Panama, the Panama Canal users, and the potential investors in our country, are upon the ARI."

Whatever is done there, or is left undone, will affect their perception regarding our ability to run the Canal after the year 2,000," Perez Balladares added.

Earlier, he emphasized what he defined as "the dynamic character of the treaties, which do not end with the fulfillment of an obligation, but which continue to generate responsibilities each day for the two sides."

The president dedicated part of his speech to distinguish between the past and the present generations, a theme on which he had focused initially when he addressed the crowd.

"Unfortunately, the majority of Panamanians does not know these installations, nor any other installation like them that will revert to the nation in the future, so that they will not be able to compare the condition they are in today and the use they are given with what they will be tomorrow," President Perez Balladares said.

"It is possible that they will never look as they appear today, because the ARI was not conceived as a beautifying institution to maintain their present condition. Its mission, which it is accomplishing, is to promote investment in them, as it will do in the trip we will begin on Monday, so that the jobs and the money that are lost with the closing of these military bases will very soon be replaced," Perez Balladares said. [passage ommited]

Interview With Perez Balladares, Part 3

PA0109161495 Panama City Circuito RPC Television in Spanish 2300 GMT 31 Aug 95

[Part III and last of interview with Panamanian President Ernesto Perez Balladares by Marcos Castillo; from the "RPC Television News" newscast — recorded]

[FBIS Translated Text] [Castillo] Mr. President, on 1 September it will be one year since you assumed office. How do you assess your administration? What have been your successes, failures? What are the perspectives of your government?

[Perez Balladares] [Laughter] I think I should not do that. I sincerely believe that the Panamanian people will ultimately decide on that. I have tried to act in the most appropriate manner to the interests of most Panamanians. I have done this tirelessly. I have devoted all my effort to accomplish what I believe many skeptics thought would be impossible for us to accomplish when we assumed office. This has been done in the most participative manner, minimizing as much as we can the costs of these transformations. And I believe we now have the necessary basis for building that future Panamanians want.

I believe that, if you ask me what is my particular assessment, I would have liked to do what I did in less time. Unfortunately or luckily, the discussion took more time than what we had expected. I think this is typical of a democratic system like the one we have. And I would have liked to do things faster, but I am ready to continue working to get things done faster and to catch up.

[Castillo] Mr. President, a while ago we spoke a little about the political cost of this period. Let us talk now a little about popularity and about an issue my colleagues will not forgive me for not asking: your relationship with the media. I don't know if there has been lack of communication or what, but journalists perceive that an effort is perhaps being made to manipulate information at a time the president makes his proposals but does not

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

give statements to the public. Shouldn't this be done differently?

[Perez Balladares] I think this is a problem of mutual education. I try to fulfill the requests made by all media sources, like the one you made, for an interview. I also try to inform all media sources about the agenda and what the president and government are doing. If we try to help [pauses] the information is broad, it is received, it is open. You have access to it. The only thing is that we require that this process be done within the framework of mutual respect.

We don't want to manipulate information in any way, and we want to be at your disposal.

[Castillo] Mr. President, I have one last question. Usually all governments adopt popular measures. There is a situation of high unemployment — you recognized this a while ago — the cost of living is on the rise, however salaries remain low. Have you a populist measure in store for the Panamanian people?

[Perez Balladares] I cannot get the solution out of a hat, as if I was a magician. What we are doing is what the law allows. The law allows and mandates that we evaluate the minimum wage. That commission has been installed; it is working. I cannot advance the recommendations that commission will make, but you must rest assured I wish these recommendations are issued as soon as possible.

I hope this evaluation can be completed fast, so as to have a good minimum wage salary revision proposal.

[Castillo] Thank you very much, Mr. President.

[Perez Balladares] My pleasure.

New Legislative Assembly Board Elected

PA06090920195 Panama City Circuito RPC Television in Spanish 2300 GMT 1 Sep 95

[From the "RPC Television News" newscast]

[FBIS Translated Text] Amid serious differences between the Democratic Revolutionary Party [PRD] and its Solidarity Party allies, the new Legislative Assembly board of directors was elected today. The differences became evident when the Solidarity Party decided to postulate Laurentino Cortizo for the first vice presidency and to abstain in the elections for the second vice presidency. Alvaro Alvarado gives us the following report:

[Begin recording] [A. Alvarado] The session started and after the correspondence was read, the three blocs in the Legislative Assembly proceeded to postulate their respective candidates to the new parliamentary board.

After the voting process was completed, Carlos Alvarado for the government sector obtained 39 votes; Hector Aparicio for the opposition sector, 27 votes; and Victor Erasmo Ignacio Mendez Fabrega for the Papa Egoro Movement obtained six votes.

For the first vice presidency, Franz Wever was postulated by the PRD and obtained 33 votes; Lenin Sucre represented the opposition and obtained 27 votes; Mariela Jimenez for the Papa Egoro Movement, six votes; and Laurentino Cortizo for the Solidarity Party obtained the support of only six of his colleagues.

Juan Peralta of the Liberal Republican Party, representing the government sector, was elected second vice president.

After the elections, a recess was declared and when the president of the Republic arrived, the official ceremony began. In her speech, outgoing President Balbina Herrera summarized her achievements at the head of the Legislative Assembly and underscored that during her term, 53 bills had been approved in 188 days of session.

[Herrera] Distinguished parliamentarians and special guests: I hand over today, the responsibility of heading the Panamanian Parliament to the new president of the Legislative Assembly. We do so thanking hundreds of officials for their cooperation in the exhausting work we have done. They were able to rise to the occasion when their country demanded an exceptional sacrifice.

[A. Alvarado] The outgoing president added that they had approved laws that were very important for the country, such as the universalization of incentives, INTEL [National Institute of Telecommunications] privatization, Interoceanic Region Authority reforms, education, IRHE [Institute of Hydroelectric Resources and Electrification], and labor code reforms, among others.

The new president of the assembly, Carlos Alvarado, in a message to the nation, acknowledged the support given to him by all his legislative colleagues and at the same time pledged not only to maintain consultations but to constantly improve the Parliament's image.

[Carlos Alvarado] From this platform we will always contribute to the country's governability because we are aware that the forging of a modern, efficient, decentralized, de-bureaucratized, participative, and deeply humanist state is dependent on our role as the head of this body. It is no secret, because we see it every day, that the Parliament's building is obsolete. We, thus, will request the planning and economic policy ministry to approve the building of a new Panamanian Parliament edifice. We hope, Mr. President, to have your support in this endeavor.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[A. Alvarado] The Parliament will reinitiate activities next Monday. On that date the names of the legislators assigned to the different work commissions will start to be revealed. [end recording]

Solidaridad Party Communique on Split From PHD

PA0509041995 Panama City LA ESTRELLA DE PANAMA in Spanish 2 Sep 95 p 20

[Communique issued by Panamanian Solidaridad Party in Panama City on 1 September]

[FBIS Translated Text] The Solidarity Party, which I am honored to preside, has been backing Dr. Ernesto Perez Balladares in his presidential endeavor since the very beginning because his government program, based on combating unemployment, cleaning-up public administration, fighting drug-trafficking activities, and modernizing the national economy, fully agrees with the postulates of our political organization.

This guideline was what prompted our party to act firmly during the recent debates to modernize labor relations when, in a sectarian manner, a group of PRD [Democratic Revolutionary Party] legislators tried to twist the objectives of the bill presented at the initiative of the President of the Republic.

Everything seems to indicate that this patriotic, sensible, and conciliatory attitude by the Solidarity Party has been the cause for it not being allowed to participate in the consensus bloc, as it so merits, during the legislative board elections. We point out that we did not aspire to a position in the board for bureaucratic reasons or to have a political space but because we believed we could cooperate more adequately in the solution of the national problems from such a position.

We categorically clarify that our position does not look to blackmail and is not ill-intended in any manner. We are a party that has solid ethical principles and we do not approve of positions that have always been rejected by the citizens.

We will continue to cooperate with Dr. Perez Balladares in his constant effort to improve the conditions of the Panamanian people. We will not withdraw our support as long as he continues to further his stand in favor of the people. However, we have to put on record that, as of this time, the Solidarity Party will act in a totally independent manner and without any commitment to the majority bloc at the Legislative Assembly.

We are convinced that we have adopted a mature, serious, and flexible decision, which agrees with the expectations that responsible citizens had in regards to our party. Panama, 1 September 1995 Samuel Lewis Galindo, President Solidarity Party

Eisenmann Views Possible Women Presidential Candidates

PA0409153795 Panama City LA PRENSA in Spanish 1 Sep 95 p 22A

[Commentary by I. Roberto Eisenmann, Jr.]

[FBIS Translated Text] We have read and talked a lot about women's progress in the labor sector. There are promotion groups in almost all the public and private disciplines. The problems women have to face, the resistance from us, the men, and the cultural obstacles they must surmount are debated at those forums.

I have previously written about how much I admire them, not only for the struggle they wage and the efficiency they show in their professional life, but also for their infinite capacity to develop a full professional life while, at the same time, fulfilling — as the nucleus of a family — all their responsibilities at home. I have three daughters who are professionals, and they show me every day how they manage this — for me, impossible — double task. One of them jokingly told me one day: "We have struggled on both fronts until we became, through our own efforts, total slaves....but what a satisfaction!"

In the political sector we have seen there exists (among others) the Woman and Development Forum, the Indian Women's Coordinating Board, the Coordinating Board of Organizations for the Women's Overall Development, and the Forum of Women in Political Parties, which has been operating for many years with a representative from all the existing parties in the Republic. This is a clear example of what is possible when human beings meet for a loftier goal. That is the same energy that should exist in all the genres to establish a vision of the First World Panama we all want for 2020.

In the genre issue, I believe Panama might also take a pole-vault jump and become an example for the world: The 1999 elections could become an electoral struggle in which all the leading presidential candidates are women. It is not difficult to think Mireya Moscoso may again become the Arnulfista Party's candidate. Despite what can be said against her, she dominates the majority opposition party because she holds a perpetual title as "the doctor's widow" [widow of three-time President Arnulfo Arias Madrid] and, also, because she works in politics with order and efficiency.

The Arnulfistas cannot even think of another possibility for clear reasons of partisan subsistence.

The majority ruling party, the PRD [Democratic Revolutionary Party], has Balbina Herrera among its ranks. She has real potential as a presidential hopeful. She has

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

shown leadership abilities. She is combative, but she can also cry, and she has developed a tolerance that is far removed from her past. We would not be surprised if Balbina Herrera became the PRD's candidate.

Although she lacks her own partisan support, Panama City Mayor Omayra Mayin Correa's capacity to earn votes and electoral support has been fully ascertained. Despite the many errors she may have made in her public life, she made them while getting things done. It is undeniable that Mayin is an anomaly in our environment. She works incredibly hard....and she works in an organized manner. She gets things done! We would have no right to be surprised if Mayin became another option (like Chinchorro) [former presidential candidate Ruben Dario Carles] in the next elections.

All these women, and others who may arise from other parties which have very valuable women, would become candidates due to their capabilities, due to the circumstances....and, last, because they are women. All the ones we have mentioned are of humble birth; they were all born in the interior of the Republic with roots in the countryside; they would all be a substantiation of our country's social mobility and modernization potential. We should remember that a good candidacy is not created with theoretical measures, only with possibilities for a genuine support from the people. Outside the home women use — as the book CITIZEN POWER says — the tools they dominate: Sensibility, intuition, perseverance, and a sense of justice. They possess an enormous sense of renewal and humanization because they are participative by nature, seekers of consensus, and human beings with a vision. An electoral race among them would concentrate the world's media here because our society would prove, in a unique and dramatic way, its advanced capability, its first world potential.

Think about it, dear reader. It does not mean that this is how it must be; but if that were the case....why not? And how proud we would be!

Planning Minister Admits Slow Economic Growth

PA0509004495 Panama City EL PANAMA AMERICA in Spanish 3 Sep 95 p A-2

[Report by Aquilino Ortega Luna]

[FBIS Translated Text] Guillermo Chapman, the planning and economic policy minister of Panama, admitted yesterday, that the country's economic growth during the first year of President Ernesto Perez Balladares' administration had been minimal. Chapman explained that the country has returned to its traditional growth trend, which was "low" and almost "insufficient" to attend the country's social and especially, its unemployment.

Due to this — the minister underscored — the PRD [Democratic Revolutionary Party] government is furthering actions to create new economic policy structures that will allow the serious and obvious limitations of slow growth to be improved.

However, one year after assuming the presidency, President Ernesto Perez Balladares has kept most of the promises he made at his swearing-in ceremony, Chapman stated. He also observed that although economic growth is slow, the government is fulfilling the Panamanian people's expectations by building roads, hospitals, and schools, and by instrumenting electricity infrastructure.

Meanwhile, Ricardo Ortega, the president of the Panamanian Association of Business Executives, pointed out that the private sector is still insecure because the Panamanian Government has not presented the package pending economic laws. Ortega also called on the government to consult issues further with the country's sectors.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Argentina

Menem Praises Results of Rio Group Summit

PY0609171295 Buenos Aires TELAM in Spanish 1308 GMT 6 Sep 95

[FBIS Translated Text] Buenos Aires, 6 Sep (TELAM) — President Carlos Menem today emphasized the firm decision of the presidents of the Rio Group member countries to join efforts to resolve problems such as unemployment, poverty, and drug trafficking, and to advance in regional integration processes.

Menem told Radio America: "There is a firm decision of working on issues that are not only troubling Latin America, but the entire humanity, such as unemployment, drug trafficking, and poverty."

The president also emphasized that an agreement was achieved "on the necessity of further advancing in integration processes in this part of the world, that is, in this sort of regionalization to finally achieve a continental level."

Menem emphasized that it was "an excellent, top-level meeting, with very good results."

The president also noted "the cordial attitude prevailing between two presidents who had recently been estranged, Alberto Fujimori (of Peru) and Sixto Duran-Ballen (of Ecuador)."

The Ninth Rio Group Presidential Summit ended yesterday in Quito, Ecuador, specifically condemning corruption, drug trafficking, and money laundering.

Brazil

Cardoso Decision on Patent Decree 'Good News' for U.S.

PY0609153395 Sao Paulo GAZETA MERCANTIL in Portuguese 1 Sep 95 pp A1, A6

[Article by Marcio Aith: "Patents Will Be Recognized Before the Law Is Passed"]

[FBIS Translated Text] The days of a law that empowers Brazilian pharmaceutical laboratories to domestically market inventions patented by other companies abroad are numbered.

President Fernando Henrique Cardoso will sign next week a decree that will preempt the current Brazilian industrial property law and grant exclusive rights to owners of pharmaceutical and agrochemical products patented abroad.

The announcement was made by Celio Franca, president of the National Institute of Industrial Property (INPI). He said: "Although the decree will not authorize the patenting of those products, it will allow three ministries —Agriculture, Health, and Environment — to grant exclusive marketing licenses to given laboratories until the Congress passes the new law on intellectual property in Brazil."

In practice, the decree will inflict a hard blow on Brazilian laboratories. The licenses will function almost like patents. An exclusive right has been the main advantage obtained through a letter patent [carta-patente] which, according to Brazilian law, could not be granted for either pharmaceutical processes and products or for chemical products.

Through the decree, Cardoso will take the venue of this issue from the Congress to Planalto Palace. He will also convey good news to the international community, especially to the U.S. Government, which has been anxiously awaiting the Brazilian Senate's approval of the patent bill.

Maria Margarida Mittelbach, the INPI director for patents, said: "Exclusive licenses will be granted that will be valid until the Congress approves a new intellectual property law. Because the law to be passed by Congress could not violate the basic principles guiding TRIPS [Trade-Related Intellectual Property Rights], which guarantee all and every invention, laboratories will enjoy exclusive rights, either through a license or, later, through a patent."

The administration plans to widely publicize the decree outside Brazil. The decree is based on the agreement on intellectual property concluded within the former GATT, which has now become the WTO.

The above agreement has become known as TRIPS and, along with other measures, was enacted in Brazil by a decree signed in 1994 by then President Itamar Franco.

TRIPS gave both underdeveloped and developing countries, Brazil included, a grace period for changing their domestic laws that are restricting patent rights. Franca said: "Yet, TRIPS gave the owners of patents abroad, since January, the right to file their petitions for patents in these countries and to receive exclusive provisional licenses." He added: "Sections 8 and 9 of TRIPS Article 70 recognize these rights."

The draft decree, which is now in the hands of President Cardoso, was jointly drafted by Agriculture Minister Jose Eduardo Andrade Vieira, Health Minister Adib Jatene, Environment Minister Gustavo Krause, and by Industry and Commerce Minister Dorothea Werneck.

The decree will require three conditions for an inventor to be elegible to obtain an exclusive license for pharmaceutical and agrochemical products:

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

1. Proof that a request for a patent has been filed at the INPI in 1995, conciding with the advent of the WTO, and not earlier. The INPI has noted, however, that any laboratory having filed a request prior to 1995 could withdraw it and file a new one.

2. The product or process must have been patented outside Brazil, in any WTO member country.

3. The product or process must have been licensed for marketing abroad by organizations linked to foreign governments.

Cardoso's decree will grant considerable powers to the Health Ministry. Today, the Health Ministry is not granting exclusive licenses for marketing medicines, but rather it only examines the effects of the medicine from a medical standpoint. Through the decree, the Health Ministry will be empowered to grant a large international pharmaceutical company an exclusive right to market a given medicine within Brazil.

The solution found by the Brazilian Presidency is not exactly what the international laboratories were asking for, although it is favorable to them. They contend that TRIPS already guarantee patent rights, not just exclusive licenses. They based their opinion on a controversial interpretation of the agreement because, either willingly or inadvertently, former President Itamar Franco did not ask for a grace period for recognizing pharmaceutical patents and, thus, it has been interpreted that the Brazilian Government should already be granting patents now. No one has yet dared to file a lawsuit based on this interpretation.

President To Remain Outside Political Disputes

PY0609125395 Sao Paulo AGENCIA ESTADO in Portuguese 1624 GMT 2 Sep 95

[By Mara Bergamaschi]

[FBIS Translated Text] Brasilia, 2 Sep (AE) — During a meeting today in which he outlined a set of measures for the education sector, President Fernando Henrique Cardoso told 25 governors — particularly the opposition governors — that he will not be a hostage to the dispute between the PSDB [Brazilian Social Democracy Party] and the PFL [Liberal Front Party]. The meeting was held at Granja do Torto. "The president is always listening to complaints that he pays no attention to this party or the other, especially to his own party (the PSDB)," he contended. "We should also give a chance to those who are not in the government, but who were elected and who speak for the people they represent," he added.

Cardoso said that the disputes between parties should be replaced by "an impartial attitude, to the benefit of the country." He noted the significance of the "interaction" between the various political sectors to help the government achieve positive results, especially in the social sector. Before making these remarks, the president said that the elimination of the Social Security and Integration Ministries — the main sources of funds for lawmakers — caused a "vacuum and a strong protest." "There will be political problems if 9,000 accords are modified," he added.

Upon presenting a proposal to invest 12 billion reals in the elementary education sector, Cardoso reiterated what he said in all his recent speeches: his government is breaking the "opportunistic structures" used for allocation of funds. The president gave assurances to the governors that the Community in Solidarity program is not giving privileges to any state. "The counties for implementation of the program were selected on the basis of technical criteria, but there are always complaints that privileges are given to this governor or the other or to this mayor or the other."

Workers Party governors Victor Buaiz (Espirito Santo) and Cristovan Buarque (Federal District) attended the meeting. The president praised Buarque, who suggested holding the meeting. Some allies of Cardoso, like Maranhao Governor Roseana Sarney (PFL), did not attend. This is the second time that Roseana, the Congress president's daughter, has failed to attend a meeting of governors. Politicians have interpreted Roseana's absence as a signal of Senator Sarney's dissatisfaction with Planalto Palace. Tocantins Governor Siqueira Campos (Progressive Renewal Party) did not attend the meeting either.

Poll: Popularity of Cardoso Administration Dropping

PY0709020495 Rio de Janeiro JORNAL DO BRASIL in Portuguese 3 Sep 95 p 1

[FBIS Translated Text] The popularity of the administration of Fernando Henrique Cardoso is again declining, like it did between March (when 72 percent of those interviewed approved of the government) and April (when 67 percent approved of the government).

A poll by JORNAL DO BRASIL/Vox Populi between 25 and 29 August — in which 3,074 people from 25 states including the Federal District were interviewed — shows 69 percent believe the government is "excellent" or "good," compared with 72 percent in July. Those who support Cardoso's administration decreased just a little. They are members of the middle class who have been harmed by the Real Plan.

Some 26 percent of those with college or university degrees believe the situation has become worse. Around

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

27 percent of those with a family income of five to 10 minimum salaries disapprove of the Real Plan, while 27 percent of those who earn more than 10 minimum salaries are also dissatisfied.

Among those families earning five to 10 minimum wages per month, 23 percent believe the situation is worse since the implementation of the Real Plan. This is up from 19 percent.

Among those who earn between one and five minimum wages, the number of dissatisfied people increased from 16 to 21 percent.

Reserves Moved From Switzerland to New York, London

PY0709021695 Sao Paulo AGENCIA ESTADO in Portuguese 2142 GMT 5 Sep 95

[By Alberto Fernandes]

[FBIS Translated Text] Brasilia, 5 Sep (AE) — The government has withdrawn most of our reserves from the Swiss Central Bank (BIS) [Bank of International Settlements], where they were deposited in 1987. An official source said the largest part of the reserves is now invested in New York and London. The change allows Brazil to collect higher interest rates and encourage foreign investments on the local market. At the end of July, exchange reserves stood at $41.8 billion, based on the concept of international liquidity.

At the end of 1994, 90 percent of our dollar reserves were deposited at the BIS. This bank, which now has only a small part of the Brazilian reserves, pays below market interest rates because it is considered the world's safest bank. The Brazilian Central Bank [BC] has now reduced investment safety requests, but has demanded higher interest rates and reciprocity from the banks taking part of the reserves. The government gives privileged treatment to the institutions that invest in the country or that finance foreign trade.

The condition that an institution must meet in order to receive Brazilian dollars is AA (double A) risk rating. This is one step below the AAA (triple A) rating, the highest rating in terms of risk. The BC has been working on the selection of institutions since the beginning of 1995, when the gradual withdrawal of deposits from Switzerland began.

The transfer of reserves began as a result of the trial promoted by the Dart family — Brazil's main individual foreign debt creditor — who did not agree to the rescheduling of the debt. The government feared the Dart family might obtain an order to embargo Brazilian reserves as part of the prosecution.

At the end of 1994, the BC received a legal report saying that New York and London are among the places where there is more legal protection for the reserves. The BC then started transferring funds to those markets. After March, when the Dart family lost the case against Brazil, the government started depositing the reserves in other places also, but the largest parcels went to New York and London.

Practically all international reserves have been deposited in Switzerland since 1987, following the foreign debt crisis. Shortly before asking for a moratorium, the government transferred the reserves to Switzerland, also fearful of having them embargoed by legal disputes.

Party Position on Constitutional Reforms Outlined

PY0709012495 Sao Paulo AGENCIA ESTADO in Portuguese 2234 GMT 5 Sep 95

[FBIS Translated Text] Brasilia, 5 Sep (AE) — Here are the positions of the main parties represented in Congress over the government-sponsored constitutional amendments:

Tax Reform

The PMDB [Brazilian Democratic Movement Party] supports the proposal by Deputy Luiz Roberto Ponte (PMDB-RS) [Rio Grande do Sul] for a lower number of taxes with tax revenues similar to those of the tax on checks.

The PFL/PTB [Liberal Front Party/Brazilian Labor Party] supports the government proposal, but opposes the lifting of bank secrecy and the enforcement of the refundable tax in case of excessive demand.

The PSDB [Brazilian Social Democracy Party] fully supports all government proposals.

The PPR [Progressive Renewal Party] opposes the lifting of bank secrecy and the refundable tax.

The PP [Popular Party] has not yet adopted a position.

The PT [Workers Party] has another proposal, but it supports the lifting of bank secrecy.

Administrative Reform

The PMDB has some objections regarding the government proposal.

The PFL/PTB supports the government proposal, especially the end of job stability.

The PSDB fully supports the government proposal.

The PPR is divided over the end of job stability.

The PP has not yet adopted a position.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The PT opposes the administrative reform.

Social Emergency Fund

The PMDB agrees to extend it for at least one year.

The PFL/PTB agrees to extend it for one year.

The PSDB wants to extend it for four more years.

The PPR believes the fund should last just one more year.

The PP has not yet adopted a position.

The PT opposes the government proposal.

Financial Operations Tax (CMF)

The PMDB opposes the proposal.

The PFL/PTB opposes the proposal.

The PSDB is divided on this subject.

The PPR is against the proposal.

The PP is against the proposal.

The PT is divided on this subject.

Poll Identifies Main 'Brains' at Congress

PY0609214595 Rio de Janeiro JORNAL DO BRASIL in Portuguese 1 Sep 95 p 2

[Article by Oswaldo Buarim Junior]

[FBIS Translated Text] Brasilia — A poll released this week by the Inter Union Department of Congressional Advisers (Diap) portrays most of the deputies and senators who are considered the "brains" of Congress as professionals with a university degree, more than one period in Congress, who support the government, who were elected from wealthy regions or the most developed states of the poor regions, and who like to define themselves as social democrats.

The Diap poll shows they are politicians who "influence, make, and support legislative branch decisions." To study this fraternity of the most important Brazilian congressmen, which comprises 100 of the 594 deputies and senators, Diap examined speeches, bills, voting results, press citations, the political groups to which the congressmen belong, their preferred topics, and the public positions they occupy inside and outside Congress.

Divided into categories according to the main skills of each congressman (opinion maker, articulator/organizer, negotiator), the Diap document, which is entitled The Brains of Congress, surprises and at the same time confirms reports and analysis. It reveals, for instance, that congressmen from the south and southeast region — although not as numerous as deputies and senators from the north, northeast, and center-west regions — have more influence in the decisions made at Congress. Among the "brains" are 59 congressmen from the south and southeast regions, while the other regions have only 41 such congressmen.

The poll also confirms the names of the congressmen who are most influential behind the scenes and who command political groups that are quite united. Good examples of such congressmen are Senators Jose Sarney (PMDB - AP) [Brazilian Democratic Movement Party - Amapa], and Antonio Carlos Magalhaes (PFL - BA) [Liberal Front Party - Bahia]. Among those who establish lines of thought at Congress, the poll cites Senator Eduardo Suplicy (PT - SP) [Workers Party - Sao Paulo], and Deputies Miro Teixeira (PDT - RJ) [Democratic Labor Party - Rio de Janeiro] and Roberto Campos (PPR - RJ) [Progressive Renewal Party - RJ]. The poll also shows that the main skill of these congressmen is to articulate and organize their colleagues into making possible the approval of bills proposed by their groups or parties. They total 38 of the 100 "brains."

The ability to negotiate, which has been the fashion lately, is not the strong point of many. Diap found the ability to negotiate is the most outstanding characteristic of only three of the 100 most important "brains" at Congress. They are: Michel Temer (PMDB - SP), Luiz Roberto Ponte (PMDB - RS) [PMDB - Rio Grande do Sul], and Nelson Marquezelli (PTB - SP) [Brazilian Labor Party - SP].

Of the 100 "brains," 26 are PMDB members, 20 are PFL members, 18 belong to the PSDB, 12 to the PT, eight to the PPR, three to the PPS [People's Socialist Party], two to the PC do B [Communist Party of Brazil], two to the PP [Progressive Party], one to the PV [Green Party], and one to the PSB [Brazilian Socialist Party].

Breakdown According to Skills

Opinion makers: They are the elite of Congress. They exert real power behind the scenes and influence public opinion. They lead trends or political parties and consider opinions before making any decision. They are discreet and avoid getting involved in the daily problems of the legislative branch. They are:

Senators Jose Sarney (PMDB - AP), Antonio Carlos Magalhaes (PFL - BA), Roberto Freire (PPS - PE) [PPS - Pernambuco], Eduardo Suplicy (PT - SP), and Darcy Ribeiro (PDT - RJ).

Deputies Francisco Dornelles (PPR - RJ), Miro Teixeira (PDT - RJ), Roberto Campos (PPR - RJ), and Delfim Netto (PPR - SP).

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Articulators/Organizers: They disseminate and support decisions and plans of the opinion makers. Diap found they "support the initiatives of the leaders of the political groups to which they belong." Articulators make up the largest number of congressmen who are considered the "brains" at Congress. They are:

Senators Sergio Machado (PSDB - CE) [PSDB - Ceara], Renan Calheiros (PMDB - AL) [PMDB - Alagoas], and Elcio Alvares (PFL - ES) [PFL - Espirito Santo].

Deputies Benito Gama (PFL - BA), Inocencio Oliveira (PFL - PE), Moreira Franco (PMDB - RJ), Jose Anibal (PSDB - SP), Luiz Carlos Santos (PMDB - SP), and Jose Fortunati (PT - RS).

Negotiators: Credibility, politeness, emotional control, skill in their choice of words, discretion, and the ability to compromise are the main characteristics Diap attributes to these politicians. They know beforehand their interlocutors' yearnings, which form the basis for bargaining. They are:

Deputies Luiz Roberto Ponte (PMDB - RS), Michel Temer (PMDB - SP), Nelson Marquezelli (PTB - SP).

Debaters: Diap's team of experts classifies these people as "extroverted congressmen par excellence." They are alert to what happens inside as well as outside Congress, have an excellent ability to echo political facts, and know how to take advantage of matters that can become news. They know the rules of the Chamber of Deputies and Senate and this makes them important promoters of congressional dynamics. They are:

Senator Roberto Requiao (PMDB - PR) [PMDB - Parana]

Deputies Jose Thomaz Nono (PMDB - AL), Artur Virgilio Neto (PSDB - AM) [PMDB - Amazonas], Jacques Wagner (PT - BA), Augusto Carvalho (PPS - DF [PPS - Federal District], Bonifacio de Andrada (PTB - MG) [PTB - Minas Gerais], Fernando Gabeira (PV - RJ), Eduardo Mascarenhas (PSDB - RJ), Milton Temer (PT - RJ), and Jose Genoino (PT - SP).

Formulators: They are the scribes of Congress. They give shape and record everything the legislative branch debates and decides. Specialization is their main ability. They stand out less than the debaters but are the most productive congressmen. They are:

Senator Artur da Tavola (PSDB - RJ).

Deputies Joao Almeida (PMDB - BA), Jose Carlos Aleluia (PFL - BA), Eliseu Resende (PFL - MG), Ibrahim Abi-Ackel (PPR - MG), Roberto Magalhaes (PFL - MG), Lima Netto (PFL - RJ), Marcio Fortes (PSDB - RJ), Sergio Arouca (PPS - RJ), Antonio Kandir (PSDB - SP), and Jose Fogaca (PMDB - RS).

Minister Explains Arsenal Explosion on Boqueirao Island

PY0709022995 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 6 Sep 95

[FBIS Translated Text] The Navy suffered an 180 million real loss with the explosion of its ammunition dump on Boqueirao Island last July. Navy Minister Admiral Mauro Cesar Rodrigues today explained the accident to the Consumers Defense Committee of the Chamber of Deputies.

Adm. Mauro Cesar Rodrigues said the main lesson learned from this episode is that the Brazilian civil defense system must immediately be reorganized. He said the lack of information about the accident was considerable and this generated panic among the population and hampered the actions of the Navy.

The minister showed a video of the accident site and of the warehouses where the ammunition was kept. He said that after a thorough police investigation he concluded that the explosion took place as consequence of a spontaneous explosion of some gunpowder samples which caused a chain reaction. The Navy is already paying compensation to the civilian population on the island.

Chile

Armed Forces Commanders Reject Amendment of Military Law

PY0709035095 Santiago EL MERCURIO in Spanish 30 Aug 95 p 5

[FBIS Translated Excerpt] During a meeting held at Defense Minister Edmundo Perez Yoma's office yesterday, the commanders in chief of the Army, Navy, and Air Force rejected a draft reform of the Armed Forces Organization Law. [passage omitted]

During the first part of the meeting, Minister Perez Yoma gave a detailed expiation of the so-called "Fred proposal" designed to attain national reconciliation. He emphasized, in particular, the subject of the reform of the Armed Forces Organization Law, through which the government intends to return to the president of the Republic the power to decree the retirement of Armed Forces generals and admirals.

After Perez Yoma's explanations, the commanders in chief of the Armed Forces made their comments regarding the draft referring to their institutions. That stated that the mentioned power would "politicize" their institutions, subjecting them to the decisions of the political

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

parties. Therefore, they thought the reform was unacceptable because they need certain autonomy and independence to fulfill their constitutional mandate. [passage omitted]

Escalona: Dismantled DINA Rules Within Army

PY0709024895 Madrid EFE in Spanish 1637 GMT 27 Aug 95

[FBIS Translated Excerpt] Santiago, 27 Aug (EFE) — Deputy Camilo Escalona, leader of the Socialist Party [PS], charged that the dismantled National Intelligence Directorate (DINA, secret police of the military regime), continues to rule within the Chilean Army.

Escalona, in statements published today by the local media, said that "this explains the Army's and Navy's aspiration to be above the civilian society."

Escalona, who is leader of one of the member parties of President Eduardo Frei's government coalition, dismissed the possibility of the Armed Forces staging a coup d'etat, but said that they intend to play a more decisive role in the country's history.

"Ultimately, the intention is that decisions regarding the country's problems not be made in (the presidential palace) La Moneda but rather in the building located in front of the government palace, where the Armed Forces high command is headquartered."

Escalona revealed that the high-ranking DINA leaders, such as General Eugenio Videla and Brigadier Miguel Krassnof, "continue ruling within the Army."

In July Gen. Videla headed a demonstration in support of retired Army Brigadier Pedro Espinoza outside Punta Peuco prison. Espinoza has been sentenced to six years' imprisonment for his participation in the murder of former Chilean Foreign Minister Orlando Letelier in Washington in 1976. [passage omitted]

Colombia

Samper on Staying in Power, Nicaragua Talks

PA0609052695 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 5 Sept 95

[Report by Juan Carlos Mateus; from the "Seven O'Clock Newscast"]

[FBIS Translated Text] In the midst of the Latin American Presidential Summit in Quito (Ecuador), today President Ernesto Samper said he continues to rule and will continue to do so. Here is our report by satellite by our special envoy:

Good evening. President Ernesto Samper Pizano has just said here in Quito, Ecuador, that there is no doubt regarding Colombia's ownership of San Andres and Providencia despite Nicaragua's criticism. After meeting with Nicaraguan President Violeta Chamorro, the Colombian President said there will be a meeting of foreign ministers to resolve the dispute.

[Begin Samper recording] The issue of weapon trafficking is a concern for us. Well, regarding these issues from a comprehensive point of view, we will begin to explore alternatives, and we are sure the relations between both countries can make a significant progress. [end recording]

President Samper Pizano pointed out that Colombia's current situation is being experienced also by other countries in the hemisphere.

Foreign Minister on Talks With Nicaragua

PA0609214395 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 6 Sep 95

[Telephone interview with Foreign Minister Rodrigo Pardo by news director Dario Arizmendi in Santa Fe de Bogota; from Caracol's 0600 to 0900" newscast — live]

[FBIS Translated Text] [Arizmendi] Good morning, Mr. Foreign Minister.

[Pardo] Good morning, Dario, how are you?

[Arizmendi] Very well, sir. What is the precise and exact scope of the statements President Ernesto Samper Pizano has made? Apparently, he has a stand which is very different from yours with regards to the issue with Nicaragua and a dialogue you will hold with your Nicaraguan colleague.

[Pardo] Dario, first of all, I want to say the president and the foreign minister cannot ever have different stands. In matters of international relations, obviously the president establishes the policy and he is the director of our foreign policy. The foreign minister is merely an instrument for implementing this policy. I think the alleged disagreement stems from the fact that there is not a clear understanding of the instructions given by President Samper and President Violeta Chamorro to their foreign ministers. In fact, an effort is being made to prevent that Colombian-Nicaraguan relations become like a dialogue between deaf people. The Nicaraguans are challenging the Esguerra-Barcenas Treaty while we maintain our stand that this treaty cannot be touched. That is obvious, it cannot be touched.

However, that does not mean that Colombia and Nicaragua cannot talk about other subjects. We have proposed holding a dialogue on other topics, but not on the topic of San Andres Islands, of course. There

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

are other subjects to be discussed. It is said that there is a transshipment of weapons from Nicaragua to Colombia. We want to strengthen our trade relations with Nicaragua. We want to increase integration with Nicaragua. We seek a rapprochement with several very interesting activities on sustainable development taking place in Nicaragua. We are trying to diversify the agenda, but we are not opening a dialogue on a treaty. Of course, our stand continues to be the same. The Esguerra-Barcenas Treaty of 1928 is in effect, it cannot be touched, and therefore, San Andres and Providencia Department continues to be — as it has been throughout history — Colombian territory.

[Arizmendi] Nonetheless, Mr.Foreign Minister, and with all due respect, allow me to ask you: Will the Esguerra-Barcenas Treaty of 1928 be analyzed and discussed during your meeting with the Nicaraguan foreign minister?

[Pardo] No, Dario, under no circumstances. We have clearly established that there is nothing to talk about that treaty. Everytime there is an attempt to bring that issue up for discussion, we will reiterate one and 1,000 times that nothing will change. That treaty is in effect, that treaty clearly establishes in an absolute manner that Colombia is sovereign over the San Andres and Providencia Archipelago.

[Arizmendi] We have learned that the Nicaraguans are euphoric and are rejoicing because they think their president, Violeta Barrios de Chamorro, has made quite an achievement, because she has made it possible for the two foreign ministers to sit down at the negotiations table. Was the Colombian president misinterpreted then?

[Pardo] I think so, Dario. I think that the meeting between Presidents Samper and Chamorro was most important because current events were leading bilateral relations to some sort of a disagreement or conflict, which I think is not advisable for either one of the two countries. This is not advisable for Colombia either, because we have said there is nothing to discuss over the Esguerra-Barcenas Treaty. To that effect, this meeting opened the possibilities of a dialogue on other subjects, for reaching an understanding and cooperation. This is useful for both countries. To that effect, I think that is the reason for Nicaragua's euphoria, and the people in Colombia should also feel pleased with this meeting.

[Arizmendi] I am going to quote President Samper during his news conference in Quito. He said: Any procedure that is found for solving our disputes, regardless of whether these be territorial, economic, commercial, cultural, ethnic; any procedure that is found, that will lead to a constructive dialogue, then I think this is the path we must take. This is what President Samper said. Please notice he is talking about disputes, including territorial ones. Is he not then making a reference to the Esguerra-Barcenas Treaty?

[Pardo] No, Dario. First of all, the sense of the president's statements is that even though there are differences over some points, we have to continue ahead with our relations with Nicaragua. We cannot restrict them, leave them static. That is what he means. And second, we would have to make a difference between Colombia's sovereignty over the San Andres and Providencia Archipelago... [pauses] this is a topic on which we are only willing to repeat one and 1,000 times that Colombia's sovereignty over San Andres and Providencia Archipelago is absolutely clear in the light of history, geography, and international law.

There is another point that is related and which leaves room for some doubt, and that is the issue of the delimitation between Nicaragua and Colombia. The boundary is marked by meridian 82; that is the boundary that has been respected and complied with; this is the area where Colombia is patrolling. However, there are some doubts as to the manner in which that boundary was marked. For example, at 2100 last night former president Lopez mentioned during the CM& newscast something that is very interesting about that meridian. That is a point that is different from the issue of the sovereignty of the San Andres and Providencia Archipelago.

Precisely, San Andres and Providencia Archipelago is a Colombian department over which Colombia exercises full sovereignty. Therefore, this requires a boundary with Nicaragua. We think that boundary is marked by that meridian which is stipulated in the 1928 treaty. To that effect, there are some interesting legal discussions, such as the one mentioned last night by former president Lopez.

[Arizmendi] With all due respect, Mr. Foreign Minister, would this not open the door to a discussion, a door Colombia had closed since 1928 with the Esguerra-Barcenas Treaty?

[Pardo] No, not at all. We will not talk about the treaty, we will not talk about sovereignty, we will not talk about anything that will change Colombia's position or titles. As I said earlier, these titles were granted by history, not by the treaty. If you will recall, the way boundaries were marked in Latin America was by the so-called uti possidetis juris principle, which means that boundaries established by the Spanish crown during Colonial times were retained when the republics of The Americas became independent.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

In the case of Colombia and Nicaragua, in addition to the San Andres and Providencia Archipelago there are other islands such as the Mangle Islands and even the Mosquito Coast of Nicaragua that used to belong to the Viceroyalty of Santa Fe. That is clearly established in a document dated 1803 in which the king specifies that the jurisdiction of these territories is transferred to the Viceroyalty of Santa Fe. That was the situation in 1810 when the process of independence of The Americas begins, therefore, that was the boundary that was to be established between the two countries.

However, it was agreed in 1928 that meridian 82 would be the boundary separating the land between Nicaragua and Colombia with which the treaty established that the San Andres and Providencia Archipelago continued belonging to Colombia and that the Mangle Islands and the Mosquito Coast belonged to Nicaragua. Therefore, the source, the origin of Colombia's rights over the San Andres and Providencia Archipelago are not only specified by the treaty but also by previous historic documents.

[Arizmendi] Thank you. We have heard Colombian Foreign Minister Rodrigo Pardo explaining the stand of our country and president with regard to Nicaragua and the Esguerra-Barcenas Treaty that is not going to be discussed or renegotiated.

Interview With President Samper's Lawyer

PA0509204895 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 5 Sep 95

[Interview with Antonio Jose Cancino, President Ernesto Samper's lawyer, by Fabio Callejas Ramirez and Dario Arizmendi; place not given; from the "Caracol's 0600 to 0900" newscast — live]

[FBIS Translated Text] [Arizmendi] We welcome Dr. Antonio Jose Cancino, who is with Caracol reporter Fabio Callejas Ramirez. Good morning, Fabio.

[Callejas] Good morning, Dario and Radio Caracol de Colombia and "Caracol's 0600 to 0900" listeners. We are in touch with Dr. Antonio Jose Cancinos, President Ernesto Samper Pizano's lawyer in the investigations regarding the 8000 case. Good morning and thank you for accepting Caracol's invitation, Dr. Cancino.

My first question has to do with reports on your behavior and statements to the press suggesting that you are challenging the Prosecutor General's Office. It has also been reported that President Ernesto Samper Pizano recently reprimanded you. Is this true or not?

[Cancino] No, it is not true at all. I have been conducting an investigation, gathering and presenting evidence. The only thing involving the Prosecutor General's Office was my objection to certain procedures, but that is normal and usual in a process of this nature. My criticism should be considered procedural, in that I am trying to clarify the actions and responsibilities of each one of the institutions involved in this case.

[Callejas] Dario, Dr. Cancino is listening to you. Please go ahead.

[Arizmendi] Thank you, Fabio. Dr. Cancino, what do you think of Prosecutor General Alfonso Valdivieso Sarmiento's statements yesterday to the effect that it is practically impossible for the Prosecutor General's Office to prevent leaks to the media from all the trials in process.

[Cancino] The prosecutor general's theory interests me. It suggests that corruption and information leaks are occurring behind his back and that it is possible that many things can be done behind many people's backs.

[Arizmendi] Is it really so difficult to maintain secrecy in efforts to guarantee the due process of this type of information, including all that has to do with this investigation?

[Cancino] No, I do not think it is difficult. The people at the controls have made serious mistakes of unheard-of proportions. Some of this information appears as if it were evidence. You could understand if there were only one or two leaks, but the leaks and violations have been recurring. This clearly can lead to misrepresentation of the facts, misinterpretation, and conclusions that could usurp the jurisdiction of magistrates and prosecutors who must feel free to make decisions and comment. On the other hand, the media can often be reckless in reviewing the evidence, above all when a review of the evidence has to be an integral and analagous review with a full examination of all records. Subjective interpretation can sometimes change and redirect public opinion.

[Arizmendi] Yes, it can. Have you received a reply from the president of the Chamber of Deputies' Accusations Committee to your letter denouncing the prosecutor general's behavior last week?

[Cancino] No, I have not. As the president's lawyer, I am simply registering some petitions. When the Accusations Committee determines it is necessary — because this lies within its scope — it will make decisions regarding the case.

[Arizmendi] Was yours a letter or an accusation?

[Cancino] No. Since I am Samper's lawyer, I have the right to execute the right of petition. I am simply highlighting procedural measures that must be addressed.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

My role within these proceedings is completely normal. I, as a lawyer, must address these incidents. This does not transgress the limits of the proper and ethical exercise of the law. I am waiting for the president's declaration to be legalized to continue and [words indistinct] although the law authorizes me to begin the defense as soon as preliminary investigations begin. The law does not distinguish that particular case. There are some differences between a criminal trial and an ordinary trial, the trial under procedural code, because this is a very special trial.

In that respect, I do not want a pile of petitions to pressure the commission in any way. The commission is doing a very good job. I am personally carrying out an investigation. This matter should be the subject of a thorough investigation. This involves an alleged income surplus. I have found that there may be some figures showing misappropriation of campaign funds. I want to present this to the commission with all due gravity and composure. One cannot lightly say that this much money was left out or that much included in the accounting records, because this is the subject of one of the most serious proofs — to be examined by experts — which can only be had when those experts are named and a thorough investigation is concluded. I have said that it is possible that there was some misappropriation of funds, money which did not enter the campaign funds because of the criminal actions of some of the people in the campaign. This could radically change the situation as to that aspect of the case.

[Arizmendi] Up to know, and according to your preliminary enquiries, were these campaign contribution misappropriations done by one individual or are several persons involved?

[Cancino] No, Dario, I am very sorry, I would like to reply to that but I cannot; I need to be cautious and careful to avoid prejudging. What I do want to say is that this has been detected and we will act with all the seriousness without hurting other people's reputation and honor.

[Arizmendi] Does it have any connection with monies handled in accounts abroad?

[Cancino] I will address this matter at the proper moment with the chamber committee because I do not want to prejudge.

[Arizmendi] To put it in simpler terms, Dr. Cancino, does this mean that some campaign money could have been kept by some campaign official?

[Cancino] It is possible, it is possible.

[Arizmendi] Dr. Antonio Jose Cancino, do you believe that the amounts and the excesses were part of both campaigns, or only in President Samper's?

[Cancino] We are also trying to establish this even though I first have to expediently deal with the president's legal situation and I also do not want to prejudge. It seems to me it would be good to halt speculations and direct all our efforts toward the information the chamber should have in the case of the president, and the Prosecutor General's Office in the case of the remaining people who have no immunity.

[Arizmendi] When you read this week's CAMBIO 16, which according to its headlines, sprinkles the president of the Republic by some of the assertions made by former Defense Minister Mr. Fernando Botero Zea, did you feel the headline was an exaggeration, a phrase taken out of context, or that there was another intention in the publication's assessment?

[Cancino] I believe this is a case of mistaken assessment, very criticizable. I believe that this analysis is not fair, partly because of the objectivity the reporter should have. It seems to me too hasty because it is not exactly true and neither does it match what Dr. Botero said.

[Arizmendi] Does your legal assistance to the president also include Dr. Jacquin Strouss de Samper?

[Cancino] No, because Dr. Jacquin has not been charged and does not need a lawyer; she simply declared as a witness.

[Arizmendi] What other presidents in Colombia's history have had to appoint criminal lawyers because of accusations over their public life?

[Cancino] Well, remember events such as General Rojas Pinilla; remember also that Dr. Botero appeared with an attorney in certain preliminary enquiries. What happened is that those events never got up enough steam as events today.

[Arizmendi] Are there other former presidents currently under investigation by the Chamber of Deputies Accusations Committee?

[Cancino] I cannot say because I do not have the information.

[Arizmendi] What is your opinion on Dr. Fernando Botero's communique in connection with the CAMBIO 16 publications?

[Cancino] Undoubtedly it seems to me very correct, very pertinent, and very valuable for the investigation.

[Callejas] How do you control leaks, Dr. Cancino, when cases are not only seen by prosecutors, but by agents

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

from the Attorney General's Office, lawyers, and the Accusations Committee itself?

[Cancino] No, it is not up to me to control them. I see a systematic, continuous, and chronic leak, which has surpassed all the limits of what could be described as exceptional.

[Callejas] On that same topic, it has been said that you will be suing certain media. What is the official version?

[Cancino] No, that is not true at all. What happens is that I deeply respect the right to information, but in some cases, in an exceptional case to be exact, there were assertions that had nothing to do with the actual case and were about me. I am referring, to be precise, to Dr. Juan Carlos Pastrana's case. This case is different because this has nothing to with it and it a personal situation that I have to decide about. It is absolutely personal.

[Callejas] Dr. Cancino, it has been said that you may have had a confrontation with the Prosecutor General's Office from way before you were appointed to represent the president. Is this true? Is there this friction, these clashes?

[Cancino] Yes. It is a very valuable friction on ideas on the distortion of the work of the Prosecutor General's Office. Going back to the days of Dr. [Gustavo] De Greiff, I have strongly criticized the legal work of the Prosecutor General's Office. This office is not empowered to accuse, as all the media say, and as one of its officials believes.

The Prosecutor General's Office is a judge called a prosecutor, which during the proceedings stage must work within parameters of complete independence. His decisions cannot delegate, alternate, or reassign jurisdictional tasks, which is being done with great disorder. One does not really know who the natural judge is. The Court of Constitutionality has said — not me — that here the same role must be played as the judge who must restrain himself on opinions he may give.

This is deteriorating and I asked a long while ago in the newspaper column that I write — regardless of the case I am now handling — that the Constitution be respected. I think I will continue this struggle from mainly an intellectual point of view. If this can be called a clash, then I must say it does exist — it is an ideological confrontation — that I believe that it will be bit by bit (?sorted out). I am going to make a great intellectual effort from my vantage point as a university professor and writer, so that the Prosecutor General's Office takes the proper course, because every day it strays more and more from its constitutional goal.

[Callejas] By the way, Dr. Cancino, we in Caracol have learned that the Office of the Prosecutor General is entirely devoted to investigating the issue of the president and of Process 8,000, and it has set aside — probably for a few days, or for a few hours, or for I do not know how long — the case of the Cali Cartel capos. What do you make of this?

[Cancino] Well, that is what is being said. Nonetheless, this does not only involve the case of the capos. The trouble is that ordinary justice is so basic and it does not work out. Now, thanks to the government, we have justice working on drug trafficking issues. You will have noticed that the government issued some decrees that are being somewhat effective. I might not agree very much with the state of internal disturbance procedures and so forth, and I should not be criticizing the government to this effect.

However, ordinary justice has become a problem for the Office of the Prosecutor General, because — I do not know if there has been neglect or lack of organization — the country itself feels that ordinary justice is not up to date. It seems that the so-called Process 8,000 is being over emphasized, and the entire country is very restless, for obvious reasons. This does not entail the right to forget or the right the Office of the Prosecutor General has to take care of all the other cases.

As for the delays, even the prosecutor general and the government have said that the Office of the Prosecutor General is not being very effective.

[Callejas] Some believe that defense is the best attack. Some say that is what you believe when you attack the prosecutor general in order to defend the president of the Republic.

[Cancino] No, no, no. I do not attack the prosecutor general; I attack the system of procedures. When evidence is being transferred, when evidence coming from the Office of the Prosecutor General is taken to the Congress, I have to make sure this be done complying with all requirements. It would be fatal for the country if some of this evidence were annulled, be it at the Office of the Prosecutor General or at the Congress. My stand is much more sincere and noble than many think. I want to prevent annulments, and that is why I criticize certain procedures that I feel are not in line with the constitution and the law.

[Callejas] As the lawyer for the president of the Republic, how do you react in the face of the caricatures and criticism that have been recently made in the media?

[Cancino] In all sincerity, I love them. I enjoy them, and so does my family, because some of these caricatures are truly extraordinary. For example, I particularly like the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

caricatures made by Pepona and by Osuna, because they convey very profound messages [words indistinct] Thus, I think that caricatures are something artistic, filled with great humor. Sometimes, caricatures insult or hurt people, but I take them all as the natural consequence of my being a public figure. Besides, caricatures express the right to information. I want to state that I believe all of the media has seen that at no time have I opposed or tried to hinder them. On the contrary, I favor freedom of information.

[Arizmendi] Dr. Cancino: How often does your client, the president of the Republic, call you? How many times a week do you meet with him in order to evaluate things?

[Cancino] We must meet frequently. We keep in close contact. I have to report on my actions. In this case, on this small incident that came up, this means the president wants to maintain stability in all institutions because of the agreeable cooperation of all powers. The president wants to separate his official function from his personal problems. That is why he worries many times about some of my actions.

Nonetheless, he understands perfectly well that within ethics I much do the best I can do to defend him. Many times, he does not think that some of my actions are pertinent or explicable, from a political aspect. I try to clear them up, without harming the president's wishes. I do my job, but many times, the president does not approve.

[Arizmendi] Dr. Cancino: Judging from the polls that have been disclosed recently, many Colombians think — and some take it for a fact — that there was hot money in Dr. Samper's presidential campaign, that is, the Liberal Party campaign. Do you doubt there was hot money from drug trafficking in Dr. Samper's campaign, or do you believe there was some?

[Cancino] Look, undoubtedly, it is my duty to act as a lawyer, and I need proof, therefore, as long as I do not have any such evidence, it would be unethical on my part to make any statements on any presumptions. So far, this is a technical issue and we are conducting the preliminary investigations, based on the principle that innocence prevails.

[Arizmendi] Dr. Cancino: When will the public learn of the document you announced you have already turned over to the committee with all of those errors and outrages — to call them something — made by the Office of the Prosecutor General with regard to this case?

[Cancino] Look, that is not a document. Practically everyday I am presenting documents. Some of them carry evidence that is very important. That is part of my obligation, I must present the evidence that I have gathered. At the same time, I am making a very profound juridical analysis on the legal context on which some evidence was examined, and on some situations of social, political, and economic influence. This is truly a situation that cannot be analyzed from an objective point of view. It must all be seen within a context of the historical moment of the country. Inasmuch as this case is part of our history, I have to make an analysis of that type so that everything that is occurring now is saved within a very complex system.

The problem is not whether certain monies infiltrated or not, but how did they infiltrate, at what moment in history did this take place, and to what extent? Just as this has happened to the prosecutor general, it could have happened to the president, and it was done behind his back. I think this is exactly the same case. I am not saying that the prosecutor general is responsible for all of this, at least not criminally.

[Arizmendi] Of course. When do you believe we will be able to learn of the results of your investigation on the possible improper appropriations of some campaign officials with respect to the money that was handled?

[Cancino] When the Office of the Prosecutor General lifts the confidentiality of proceedings, and it issues some ruling that allows it. However, meanwhile, both the committee and I must be respectful of the confidentiality of proceedings. I do not want that what happened at the Office of the Prosecutor General occur again. The committee is showing that it is possible to maintain the confidentiality.

[Arizmendi] It is said that each man has his style. Are you going to change your style?

[Cancino] No way. I will continue being the same one. Many times, the president tries — he just tries — to pull my ears, but I do not let him do it.

[Arizmendi] Dr. Cancino, thank you very much.

[Cancino] Yes sir, it was a pleasure.

[Arizmendi] That was Antonio Jose Cancino, the lawyer of the president of the Republic, Ernesto Samper Pizano.

Prosecutor General Regrets Botero Testimony Leaks

PA0509192695 Madrid EFE in Spanish 2036 GMT 4 Sep 95

[FBIS Translated Text] Santa Fe de Bogota, 4 Sep (EFE) — Colombian Prosecutor General Alfonso Valdivieso said today that he does not know how statements by

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

former Defense Minister Fernando Botero were leaked to the press. Botero was arrested in August on alleged illegal profiteering with drug trafficking money in the 1994 electoral campaign.

Valdivieso regretted release of the partial statements handed to the Prosecutor General's Office by Botero, arrested on 15 August as part of the investigation into the Cali "cartel's" alleged money infiltration into the candidacy of Colombian President Ernesto Samper, who won the June 1994 elections.

The weekly CAMBIO 16-COLOMBIA magazine published this week part of the judicial testimony by Botero, who was Samper's electoral campaign manager, and stated that the detainee had involved the president in the receipt of Mafia money.

Botero said today that "it is categorically false" that his statement "attempts to involve or implicate the president of the republic. [no closing quotation mark as received]

"Nothing could be further from the truth," he stressed.

Botero admitted that he did mention that "in every political campaign the responsibility of collecting funds to some extent also falls on the candidate himself" but denied that this means that he has broken his loyalty pledge with President Samper.

Prosecutor General Valdivieso, who at least twice previously expressed his annoyance over leaks over the so-called "narcoscandal," announced that this leak will be investigated and those guilty of violating confidential summary processes will be punished. Valdivieso reminded that taking part in the judicial procedures are prosecutors, attorneys, and delegates from the Prosecutor General's Office, as well as from the Chamber of Representatives Accusation Commission entrusted with investigating Samper, as he himself requested on 28 July.

The prosecutor general added that it "is practically impossible to avoid leaks" but stressed that his office protects the confidentiality of the investigations.

Botero Asked for Evidence of 'Leaks' at Prosecutor's Office

PA0609151295 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 6 Sep 95

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] Today, Prosecutor General Alfonso Valdivieso asked former Defense Minister Fernando Botero to provide the information, if he has evidence that the Prosecutor General's Office of the Republic is leaking information.

He also stated that a preliminary investigation against Juan Jose Bellini is under way in Cali.

[Begin Valdivieso recording] I expect Dr. Botero to cooperate with justice by explaining in detail what he said and backing up his remarks to the Prosecutor General's Office. I do not want to think that his remarks were reckless. [end recording]

This was Valdivieso's reaction to the most recent communique Botero issued from prison. Valdivieso asked Botero to speak clearly about his charges of leaks concerning the contents of interrogations at the Prosecutor General's Office.

[Begin Valdivieso recording] I do not know who he is referring to when he mentions the word politicization. Anyhow, he must be completely sure that this is not a statement that the Prosecutor General's Office holds against him. We are acting with only justice on our mind. [end recording]

In addition, Valdivieso confirmed that a preliminary investigation is under way against Bellini, president of the Soccer Federation. Such an investigation is being conducted in Cali.

[Begin Valdivieso recording] It is possible to speak of frontmen activities, but it cannot be said that there is an accusation against him for illegal activities. We are involved in a preliminary investigation. [end recording]

The prosecutor general noted that other sports figures are being investigated, and they are not just soccer players.

Parliamentarians Issue Statement Asking Samper To Resign

PA0709042595 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0230 GMT 7 Sep 95

[From the "QAP News" newscast]

[FBIS Translated Text] Thirty-three parliamentarians have signed a document in which they ask for the resignation of President Samper.

The document states that this is the only solution to the country's economic and political crisis, which was prompted by the suspicion that drug trafficking funds were used in his campaign.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Police Arrest ELN Man With Computer Data on Personalities

PA0609150895 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 6 Sep 95

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] Police have captured the man who controlled ELN [Army of National Liberation] intelligence. He was in possession of a true treasure of this terrorist organization. Let us see what this is all about:

[Begin unidentified reporter recording] This man, identified as Jaime Camilo Roncancho Jimenez, was captured with a true ELN treasure: a computer containing classified information about government officials, the most important political leaders, top executives of economic groups, and military and police commands. The computer contained a key information network on those who would be possible targets of a terrorist or repressive action by the ELN.

The information was stored on approximately 200 diskettes with biographic data on personalities, their properties, addresses, telephone numbers, and even the family tree of each one of them. [end recording]

Ecuador

Congress Notifies Vice President Dahik of His Impeachment

PY0709024795 Madrid EFE in Spanish 2216 GMT 5 Aug 95

[FBIS Translated Text] Quito, 5 Sep (EFE) — The Ecuadoran Congress today notified Vice President Alberto Dahik that he will be subject to an impeachment trial, with a motion of censure, in compliance with the decision approved by a majority in Congress on 31 August.

Fabrizzio Brito, secretary general of the Ecuadoran Congress, disclosed the congressional decision to impeach Dahik, who is also facing a criminal trial for the alleged misappropriation of reserved funds.

In addition to Congress' notification, Brito delivered "the file containing all the charges against the vice president by the various political parties." This information was disclosed to the media by Brito, who said that Dahik's aide-de-camp, Colonel Miguel Angel Maldonado, received the file in Dahik's name.

Dahik will have to explain in Congress a recent confession that the government paid deputies large sums of money to approve draft bills it was interested in.

Last week the vice president asserted that he will not resign and that he will answer charges before the unicameral Congress of 77 deputies, most of them from the opposition.

Private Banks Take Over Foreign Trade Operations

PY0509202095 Madrid EFE in Spanish 1446 GMT 4 Sep 95

[FBIS Translated Text] Quito, 4 Sep (EFE) — As of today 23 private banks have taken over Ecuadoran foreign trade operations while the Central Bank, which was in charge of those transactions, will keep statistics on imports and exports.

The entities which will handle Ecuadoran foreign trade are the Bank of Colombia, and 22 local banks including the Popular, Pacific, Pichincha, Filanbanco, International and Production Banks.

New forms and documents for exports and imports have been prepared for the transfer of the functions of the Central Bank to the private financial organizations.

Since last June, private banks have been managing about 2,000 state institution accounts that have been assigned to them.

The Ecuadoran Social Security Institute (IESS) is one of the accounts to be transferred by the Central Bank next November. The funds of state universities and municipalities will also be transferred to the private banks.

The foreign trade transactions will be made through the Single Import Document [Documento Unico de Importacion - DUI] and the Single Export Form [Formulario Unico de Exportacion - FUE].

The Central Bank has announced that the paperwork for import and export transactions takes about 20 minutes to complete.

Military Supports Democracy Amid 'Serious Political Crisis'

PY0509170195 Buenos Aires TELAM in Spanish 2253 GMT 2 Sep 95

[FBIS Translated Text] Quito, 2 Sep (TELAM-SNI) — Through a communique issued by the high military command today in Quito, the Ecuadoran Armed Forces expressed support for the democratic system. Nevertheless, they admitted their concern about the corruption scandals that are shocking the country.

The military issued the communique amid a serious political crisis that worsened today when Congress decided to impeach Vice President Alberto Dahik.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Moreover, Dahik faces penal charges raised by two deputies before the Supreme Court for alleged misappropriation of funds.

Dahik was charged with handling these funds in current accounts opened in private banks instead of opening them in the Central Bank as he was authorized to do; and of using them for his personal benefit.

Ecuadoran President Sixto Duran-Ballen defended his running mate and asserted that Dahik did not violate any law.

Duran-Ballen said that the impeachment process and penal proceedings are unconstitutional because "they overlook the fact that to try a member of the executive branch you must first impeach him; but here everything is done in the exact opposite way."

Dahik, a 42-year-old conservative economist, said that he will not resign and that he will go to the unicameral Congress to defend himself against the charges raised by the deputies.

The vice president announced that he will defend himself from the "infamies" in a message he will address to the nation after the Rio Group presidential summit being held this week in Quito.

In a statement to the press, Congress President Fabian Alarcon today said that these charges should not alarm the people because they strengthen democracy.

He added that "the worst thing that can happen to the legal system is for no one to do anything about crimes of corruption."

Archbishop Jose Mario Ruiz Navas, chairman of the Bishops' Conference, said that "the church fears that there might be unrest in the country in view of the serious political crisis it is experiencing."

Paraguay

President Wasmosy Returns From Quito Summit

PY0609144295 Asuncion NOTICIAS in Spanish 6 Sep 95 p 14

[FBIS Translated Text] After participating in the Rio Group summit in Quito, Ecuador, President Juan Carlos Wasmosy returned to Paraguay last night. The president was met at the Air Force airport by Vice President Angel Roberto Seifart. The president immediately left the airport, avoiding the journalists who were waiting for him nearby.

Therefore, the president avoided making remarks to journalists, who had been waiting for him since the morning.

The president's arrival, which had initially been scheduled for 2000, suffered a significant delay as Juan Carlos Wasmosy arrived in our capital on his private plane shortly after 2200 yesterday. Wasmosy and his entourage quickly left the airport in private cars, therefore, it was difficult to approach the president.

Journalists, who had been waiting near the Air Force airport's entrance, subsequently went to the presidential residence, Mburuvicha Roga, where they also were unable to secure accurate information on the president's activities during his visit to the Ecuadoran capital.

Peru

Government 'Deeply' Regrets French Nuclear Test

PY0609161095 Lima America Television Network in Spanish 0100 GMT 6 Sep 95

[FBIS Translated Text] After France carried out its nuclear test in the Moruroa Atoll today, the Peruvian Foreign Ministry released a communique deeply regretting the test and the French Government's refusal to listen to the call by the international community to stop the nuclear tests.

The communique says that the nuclear tests represent a potential threat to the marine environment in the South Pacific and that Peru will continue to remain vigilant through the mechanisms of radiological security and other verifications made in coordination with the other countries of the region. In this regard, the Peruvian Government remains in constant consultation with the member countries of the Rio Group and the Permanent Commission of the South Pacific.

'Outstanding Agenda' Urged for Rio Group

PY0109164095 Lima EXPRESO in Spanish 16 Aug 95 p A27

[Article by Alejandro Deustua C.: "An Agenda for the Rio Group"]

[FBIS Translated Text] The summits of the Rio Group, like most multilateral summits, usually have agendas with numerous and disparate issues. The upcoming Rio Group summit set to be held in Quito in September should avoid that and concentrate on defining a tighter agenda. There are important issues that should be discussed in the summit, such as the weakness of many Latin American democracies, the greater vulnerability of some economies that have recently been liberalized, the slow (but constant) progress of the process of regional and hemispheric integration, and the persistent lack of stability of the international situation. These issues deserve attention in order to create corrective policies

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

and to overcome the attitude of some presidents who come to the meeting only to make a general review.

Some of the symptoms created by the Mexican crisis continue to persist in various countries of the region (big deficits in current accounts and dependence on short-term external financing), including the negative effects of its correction. There is also the possibility that a third South American president in less than five years will be removed from office for corruption (Colombia). Civilian-military relations (Chile and Argentina) are also worsening. And there is also the regional impact created by the uncertainty of the real situation with regard to very important economies (those of Japan and the United States). These events are serious enough for Latin America, and they strip away the credibility of rosy communiques that avoid the real problems.

The upcoming summit in Quito will be held within a context in which the enthusiasm for the consolidation of hemispheric democracy, which was stimulated under the protection of the OAS early in this decade, may be declining. The task of collective defense of democracy — in which Peru participated first as one of the contributors to the hemispheric commitments on this issue and later as victim of the coercive measures it contributed to regulating — should be reviewed in the light of the proliferation of the weak points now appearing in the system. The risks of new military coups in the region (although this is a current concern as a result of the civilian-military relations in Chile and Argentina and the past Peruvian experience) are perhaps less important than the absence of solid institutions capable of sustaining democracy against the corruption installed in them (Colombia or Mexico), the presence of a legitimized political boss (Peru or Argentina), or the substantial loss of credibility due to lack of ability to obtain consensus (Ecuador or Venezuela).

The weakening of the political system in the entire South Pacific, part of the Caribbean and North America, and its deterioration in part of the River Plate Basin — which jeopardizes the terms of the alleged uniform regional political system — should trigger an evaluation of the mechanisms for advancement and the instruments for joint actions in the hemisphere (with more emphasis on advancement); the establishment of new criteria on political and regional coordination (like the ones implemented by the Andean Group at one time); and, in particular, the definition of general guidelines for consolidating national institutions and, subsequently, the state.

The economic issue that should be reviewed in Quito could be defined as the one involving the disappearance of two of the three prototypes of liberal reform in the region (Mexico and Argentina). The corrective measures to overcome the Mexican crisis are yielding fruits in that country (thanks in part to the exceptional foreign support), but at the cost of a strong recession with inflation that has resulted in increased unemployment and depressed salaries. In Argentina, the control over the "tequila effect" (also with foreign aid) has allowed recovery with slow growth, but the social cost of the new adjustment is a new burden on top of the social cost of the original program (the situation is more complex than the Mexican crisis because the equal exchange rate of 1 peso for $1 does not allow an improvement in the trade balance. The improvement can only be made through fiscal measures and the reduction of production costs, which implies a greater reduction of salaries). Furthermore, the existing economic prototype (Chile) and the greatest regional economy (Brazil) have introduced some kind of financial and commercial neoprotectionism (Chile imposed taxes on short-term capital and Brazil set quotas and custom duties above the external tariff of the Mercosur [Common Market of the South] on some imports).

Furthermore, because of the growing pressure to satisfy the basic social requirements and to promote industrialization, support has been expressed for the rhetoric advocated by the ECLA [Economic Commission for Latin America]: "growth with equity" in some countries (Argentina) and in some groups (Andean Group with Peruvian presence). In this regard, the Rio Group must make a diagnosis of the situation prevailing after the Mexican crisis and point out guidelines to increase internal savings, reduce financial dependence, fight effectively against unemployment (measures intended to generate employment are definitely insufficient), and improve and increase the attention given to social requirements within the framework of consolidating the market economy.

Within the framework of integration, the Rio Group cannot excuse itself from providing its support for the process of hemispheric integration, highlighting the compatibility of the Andean Group and Mercosur. As a Latin American Group, the Rio Group should give priority to the creation of a South American free trade zone born from the merger of the Andean Group and Mercosur. But Mexico and the Central American and Caribbean countries would oppose this plan if it is considered to be an alternative to the hemispheric integration program, therefore, the support for the developments of the Miami summit should be emphasized. Within that framework, the Rio Group must seriously convey to the United States its concern for the unilateral handling of interest rates which, among other instruments of similar autonomy, substantially

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

affect the economic conditions of the Latin American countries.

The Quito summit can become credible for Latin America only if the Rio Group establishes an oustanding agenda.

Congress Supports Cabinet; Opposition Wants Specifics

PY0109185095 Madrid EFE in Spanish 0424 GMT 24 Aug 95

[FBIS Translated Excerpt] Lima, 23 Aug (EFE) — Congress reaffirmed its confidence in President Fujimori's cabinet on 23 August by approving a motion to this effect following the prime minister's outline of the government program for the next five years.

Of the 113 congressmen present, 86 voted for the motion, three voted against, and 24 abstained. The Peruvian Congress has 120 members.

Dante Cordova, prime minister and minister of education, outlined the administration's policy, and the other 14 ministers answered the questions that congressmen posed during the two days — 22 and 23 August — that the cabinet briefed Congress. [passage omitted]

Spokespersons for the opposition have said that the prime minister's speech was too general and did not focus on specifics of the struggle against poverty that plagues half of Peru's population of 22 million, nor did it address other national problems like unemployment. [passage omitted]

Drug Trafficker Cachique Rivera Gets Life Sentence

PY0609190995 Lima America Television Network in Spanish 0100 GMT 5 Sep 95

[FBIS Translated Text] A few minutes ago the Second Lima Criminal Court sentenced drug trafficker Abelardo Cachique Rivera to life and ordered him to pay 30 million soles in damages.

Cachique Rivera was found guilty of crimes of illegal drug trafficking and money laundering. Cachique Rivera immediately appealed the sentence which will now be resolved by the Supreme Court. Cachique Rivera's father and his mother, Herminda Rivera, were acquitted. Regarding the case of Herminda Cachique Rivera, who was recently captured, the court has decided to postpone her trial.

Uruguay

Minister Urges Producers, Exporters To Trust in Mercosur

PY0509162395 Buenos Aires TELAM in Spanish 1834 GMT 1 Sep 95

[FBIS Translated Text] Montevideo, 1 Sep (TELAM-SEM) — Uruguayan Foreign Minister Alvaro Ramos today urged Uruguayan producers and exporters to trust in the Mercosur [Common Market of the South] achievements, despite the contradictory signs present in the integration process.

Local media today reported that the Uruguayan foreign minister pointed out that, despite Brazil's decision to implement measures restricting imports, "we must convince ourselves that our growth depends on effectively becoming an exporting country."

Ramos admitted that the measures, described as "barriers" by regional exporters, have caused some fear and distrust, despite the fact that the Brazilian Government's goal to adjust its economic variables is understandable.

The foreign minister pointed out that the solutions implemented to resolve this type of problem have been incomplete. He said Uruguay might take advantage of its agro-industrial sector to export.

Ramos also pointed out that it is essential to consider that the Mercosur partners are forming a customs union and have effective commitments, including the 1991 Asuncion Treaty that established Mercosur.

Ramos emphasized: "The establishment of the customs union is a process that must be constantly promoted, strengthened, and institutionalized."

According to the Uruguayan foreign minister, the establishment of competitive agro-industrial systems would be an advisable goal for his country.

Senate Approves Protocol on Mercosur Organizations

PY0509171295 Montevideo LA MANANA in Spanish 23 Aug 95 p 6

[FBIS Translated Excerpt] In a special session held on the afternoon of 22 August, the Senate approved the Ouro Preto Protocol, which determines the establishment of organizations within the framework of the Mercosur [Common Market of the South]. The only vote against it was that of Senator Helios Sarthou (People's Participation Movement-Broad Front).

Senator Walter Santoro called for rules to appoint Uruguayan representatives for the so-called Joint Congressional Committee. He deemed that through this

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

committee, the legislators of the region will have a new function. [passage omitted]

Considering the first topic on the day's agenda, which consisted of approving the Ouro Preto Protocol, Senator Carlos Julio Pereyra addressed the floor and explained that the issue had been discussed in 1994 and that on the occasion, Senator Ricaldoni had proposed adding to the protocol an article seeking to ensure that Uruguay did not lose control over customs.

The issue was then transferred to the Chamber of Deputies, and the year ended before it was sanctioned. Now, Sen. Pereyra said, the executive branch again submitted the protocol for approval, but without including the aforementioned article.

Sen. Pereyra added that the Ouro Preto Protocol determines the establishment of organizations within the framework of Mercosur and defines each of the organizations' decisionmaking capacity. On behalf of the International Affairs Committee, Pereyra recommended the approval of the document. [passage omitted]

Venezuela

Caldera Discusses Democracy, Armed Forces Support

PA0609134595 Caracas Venezolana de Television Network in Spanish 0200 GMT 2 Sep 95

[From "The News" newscast]

[FBIS Translated Text] According to President Dr. Rafael Caldera, the democratic system has remained strong thanks to the democratic conscience of our National Armed Forces [FAN]. The president made the above statement in Maracay, where he delivered a lecture to the cadets of the Aviation School on the occasion of the beginning of the 1995-96 academic year.

[Begin President Caldera recording] If Venezuelan democracy has remained throughout time, if it has been demonstrated after a century of failures that the democratic system, respect for human rights, respect for the liberty of each individual, respect for freedom of thought and expression, that the popular consultation is a repeated, normal, and fundamental event in the life of the country, it is largely thanks to the fact that the position of the FAN has always been clear and firm, respecting a provision that has guaranteed — under any circumstance — that these principles are defended and maintained over all adverse considerations and all machinations of any nature that may come up. [end recording]

During his stay in Maracay, President Caldera took the opportunity to visit the maintenance workshops of Libertador Air Base, where F-5 planes and C-130 Hercules helicopters of our Venezuelan Air Force are being refurbished.

Comments on Crisis, Role of Armed Forces

PA0709003295 Caracas EL NACIONAL in Spanish 2 Sep 95 p 1D

["Special" report by Luis G. Acosta]

[FBIS Translated Text] Maracay — The banking crisis was prompted by machinations between some political sectors and bankers who embezzled Venezuelan savings, but that despite all of this there is willingness to overcome these obstacles. "We have the people's confidence."

The previous statements were made by President Rafael Caldera at the Mariscal Sucre Military Base in Boca de Rio, during an address before Air Force cadets during the opening of academic year of Military Aviation Academy and in the presence of the defense minister and the Venezuelan Air Force [FAV] high command.

President Caldera pointed to the ongoing budget deficit and that half of the budget is earmarked for external debt repayments, and constitutional allotments.

— We have a great country, the president stressed, and sufficient human and natural resources to save it. In this respect, what we need are public policies that are constant, decided, and altogether directed with honesty.

President Caldera highlighted that "such a task would not be possible if we could not count on the full support of the Venezuelan Armed Forces [FAN] which is also experiencing the problems the country is undergoing. In addition, the FAN is convinced that the struggle the government is going through will be successful as long as we are able to maintain peace, institutional stability, and the disposition to overcome all obstacles."

— It is for this reason that I have come here with confidence, and feel pleased to meet with these austere youngsters. The new generation of military officers have the right to receive a country bursting with optimism, and heading toward the future. With the help of God and with the unflinching determination to carry out a task that concerns us all, and I am convinced that we are going to accomplish it.

Caldera stated that a climate of stability would never have been maintained without the support of the FAN and that "economic and social experts from other countries have acknowledged that Venezuela has been able to face its adversities in peace."

The president condemned the wastefulness of 1974 due to the rise in the price of crude oil that led the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

country to the fiscal and economic crisis it is currently experiencing.

However, at the same time, he stressed that the country still has sufficient resources to confront the acute situation and the international obligations it has contracted. These resources include major mineral reserves and precious stones that can be exploited in the future for the country's benefit.

Nevertheless, he denounced that despite the economic crisis there are still major issues such as the increase in the states' constitutional allotments, and that even with all the problems some governors have still fallen into overspending mistakes.

Democracy is Best

In acknowledging that mistakes and examples of corruption have taken place, the president defended the democratic system as opposed to dictatorship alternatives that sever citizens' rights.

He added that democracy is the best system of government because it preserves citizens' rights.

As an example, Caldera stated that at the fall of the last dictatorship in 23 January 1958 there were only 12,000 university students, but that today, thanks to the democratic system, there were nearly half a million university and high school students.

He also referred to the struggle against diseases such as tuberculosis and malaria, which killed thousands of Venezuelans, and were eradicated by democratic governments.

At the conclusion of his address, President Caldera was rewarded by a 45-second round of applause by the EAM cadets and was handed a replica of an eagle that identifies aviators of Venezuela and the entire world.

Silence About Rumors

Despite the insistence of the reporters, neither the president of the Republic nor the defense minister commented on rumors of an allegedly aborted coup d'etat.

Caldera refused to meet the press after delivering his masterful lecture before the cadets of the Military Aviation School.

Moises Orozco Graterol, defense minister and Army division general, also refused to answer questions, including one regarding the alleged arrest of certain officers and statements attributed to Zulia State Governor Lolita Aniyar de Castro that there could be a military conspiracy, because military plane pilots who overflew Maracaibo in the evening carried out maneuvers without advising civilian authorities.

A regional newspaper reported here that two captains surnamed Marin and Almerida, who reportedly participated in the 27 November 1993 coup attempt when several officers of the Air Force rebelled, were arrested at Sucre Base.

Another rumor that is circulating indicates that the death of a third class air technician, who was inspector of the Military Intelligence Directorate, provoked the arrest of an officer and two noncommissioned officers at Sucre Base.

The air technician's death was first reported as a suicide but Minister Orozco Graterol later announced in Caracas that this incident was under investigated in connection with an alleged thwarted attempt to steal weapons.

Caldera Swears in New Central Information Office Minister

PA0209183195 Caracas Venezolana de Television Network in Spanish 0200 GMT 1 Sep 95

[Report by Pedro Prado; from "The News" newscast]

[FBIS Translated Text] Following the resignation of Guillermo Alvarez Bajares, who will join the election campaign, President Rafael Caldera swore in Dr. Fernando Egana as the new minister of the Central Information Office [OCI]. Egana requested the cooperation of the media for the consolidation of the government's information policy.

[Begin Egana recording] You, as representatives of the media, and I, as a representative of the government, have a common mission, which is to push Venezuela forward and promote a positive, constructive, and modern information policy and, without disregarding the problems that naturally exist, we should also project that important image, that part of Venezuela, which is a positive Venezuela. [end recording]

One of his principal advisers at the OCI will be (Pio Diaz Pena), former OCI minister during the government of Luis Herrera Campins. Egana's replacement at the secretariat of the presidency will be appointed in the next few days.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Government Reports Repayment Agreement With World Bank

PA0409195695 Caracas Venezolana de Television Network in Spanish 1550 GMT 4 Sep 95

[Report by Pedro Prado; from "The News" newscast]

[FBIS Translated Text] A few minutes ago it was announced outside the Miraflores Presidential Palace that the government is studying new mechanisms to service the debt. Pedro Prado has this report for us:

[Begin Finance Minister Luis Matos Azocar, identified by caption, recording] We can now consider it a success that the World Bank has accepted this schedule [relacion] from us that will save us approximately 71 billion [currency not specified]. If the Inter-American Development Bank, as I have already said, upholds a similar position, we would be speaking of about 40 billion [currency not specified] for 1995.

My basic concern is, however, and this is the agenda we are working with, are the years 1996, 1997, and 1998. [end recording]

Planning Minister Predicts Lower Inflation Rate in 1995

PA0609041295 Caracas Venezolana de Television Network in Spanish 0200 GMT 2 Sep 95

[Report by Maribel Rodriguez; from the "The News" newscast]

[FBIS Translated Text] According to Cordiplan [Coordination and Planning] Minister Edgar Paredes Pizzani, year-end inflation for this year is expected to close at below 50 percent, a promising figure compared to the 70.8-percent annual inflation registered last year [words indistinct] by the increase in prices in the last quarter of the year, inflation will remain below the levels reached in 1994. He stated that inflation accumulated between January and August totaled 30 percent.

With regard to the investment plan launched by the executive branch in the public sector, the minister of Cordiplan announced that the World Bank will grant Venezuela a $1.6 billion credit to finance social works.

[Begin Paredes Pizzani recording] It is an investment plan contemplated that forms part of the five-year national investment plan, but focus specifically on the 1996-1999 three-year period. It is a public investment plan we are working hard for in Cordiplan. [end recording]

Regarding the drop in international reserves, Cordiplan said that [words indistinct] austerity regarding imports, the reserves could close with reasonable figures.

Meanwhile, Domingo Maza Zavala, member of the Exchange Administration Board, stated that in order to keep international reserves from falling further, the government has decided to save foreign currency, without causing a shortage of basic articles and without defaulting on commitments abroad regarding the payment of the private debt.

[Begin Maza Zavala recording] As part of our legal powers to act, we are going to try to authorize — regarding the importation and private debt servicing payment — whatever is indispensable to keep the local market and production stocked so that there is no shortage in general consumption commodities. [end recording]

Our country's total international reserves have been set at $10 billion and operating reserves at $6 billion. Compared to last year, international reserves have dropped by $1.4 billion.

Energy Minister Reaffirms No Gasoline Price Hike Planned

PA0509181695 Caracas EL UNIVERSAL in Spanish 1 Sep 95 p 1-10

[Report by Alberto de la Cruz]

[FBIS Translated Text] Erwin Arrieta, minister of energy and mines, has reaffirmed that no increase in the price of gasoline in the domestic market is planned, until an energy substitution project is fully implemented to use natural gas instead of gasoline.

The high-ranking official made this explanation after concluding a meeting with the Energy and Mines Legislative Commission, which was also attended by Luis Giusti, president of Venezuelan Petroleum Inc. (PDVSA). This meeting had been called to discuss the relocation of various communities on the eastern shore of Maracaibo Lake, given the fact they are located below sea level.

Regarding the controversy unleashed recently among the public on the increasing of fule prices, Arrieta did not give it any importance and stated "that debate has no sense" because it originated in unofficial sources.

When asked about this possibility, given the government contradictions, Arrieta expressed his annoyance and said that he, as minister of energy and mines, has expressed it repeatedly: "no increase in gasoline prices is planned."

Arrieta added that at this time it is useless to discuss when that will increase take place because what has been proposed is an energy substitution project to replace gasoline with natural gas.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

An 80-year-old problem cannot be resolved in an instant, Arrieta remarked upon questioning the "epileptic decisions" on that matter.

He added that the substitution project is aimed at resolving that problem structurally, so as to stop committing two crimes: one burning gas, and the other using up a strategic and nonrenewable resource such as gasoline.

We are working on a project, and a part of it is already being implemented: the station offering gas services. Another project will be an assessment of the fuels to replace gasoline and to make the population aware of the need to use natural gas. In addition, the volumes of gasoline we will save should be sold on the international market, where they pay a lot for this resource.

Arrieta reiterated that this important substitution project will be ready when the time is right, to end "this novel-like dilemma" of whether the price of gasoline will be increased or not.

"This is an engineering project with all the logistics to resolve a problem structurally and not with half measures."

Decision on Increase Is Prerogative of President Caldera

Regarding the possible increase in gasoline prices, Luis Giusti admitted that at the ceremony marking the anniversary of PDVSA, this issue was discussed, but the decision is the prerogative of the national executive.

Giusti stressed that the gasoline subsidy and the subsidy-related losses of PDVSA are absolutely evident, but "the final word lies with the president of the Republic, the executive branch through the Ministry of Energy and Mines, because this is mandated by law."

Giusti recalled that President Rafael Caldera has been consistent on his position that he will only approve a gasoline price increase when adequate conditions exist, in the sense of protecting the impact it may have on low-income people." [no opening quotation mark as published]

Nevertheless, he expressed that the business of the petroleum industry does not consist of sustaining losses, but this matter falls outside of the business because it includes sociopolitical considerations.

Supports Higher Prices Abroad

PA0609041195 Caracas Venezolana de Television Network in Spanish 1550 GMT 4 Sep 95

[From "The News" newscast]

[FBIS Translated Text] According to Energy and Mines Minister Erwin Arrieta, the sale of a larger amount of Venezuelan gasoline abroad could delay price increases. Arrieta added that currently there are discussions on the idea of granting concessions to qualified private sector to sell Venezuelan gasoline abroad at international prices. This would be coordinated by the Energy and Mines Ministry until the problem of fuel valuation is structurally solved.

[Begin Arrieta recording] There is an insistence on making Venezuelans pay more for our gasoline. I wonder, are these not almost sadomasochistic signs? Why? For God's sake, let those abroad pay better and higher prices for gasoline! Why do we have to insist on this? Oh, because we have to take thoughtless and unintelligent measures. I will not be forced to make a thoughtless decision. I will take the necessary time. [end recording]

Matos Azocar Sees Restructuring of Public Debt

PA0509140795 Caracas EL GLOBO in Spanish 1 Sep 95 p E-2

[Report by Sandra La Fuente Portillo]

[FBIS Translated Text] Finance Minister Luis Raul Matos Azocar has not ruled out a restructuring of the internal public within the overall plan that is being drafted to ease the burden of the country's obligations to its creditors.

Matos Azocar announced the future implementation of an overall plan to ease the burden of the Venezuelan foreign and internal public debt for 1996, 1997, and 1998. He also confirmed that Venezuelan public debt papers will be placed in international markets as part of this plan. The possible financing of internal obligations would be included.

The finance minister did not deny either the future placement of bonds of the unrestructured public debt in the German market.

The internal public debt has grown during three fiscal budgets because of unfavorable conditions for placing the debt documents abroad. The cost of servicing these obligations (capital and interest) also increased due to interest rate rises.

Matos Azocar participated in the forum on updating regulations and procedures that uphold the exchange system at the Fedecamaras [Venezuelan Federation of Associations and Chambers of Commerce and Industry] auditorium. He was accompanied by Exchange Administration Board [JAC] Coordinator Samuel Wilhem, Gustavo Rivera, representative of the Exchange Administration Technical Office, and Fedecamaras President Jorge Serrano.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The finance minister told the participants that operational international reserves will fluctuate between $10.200 billion and $10.5 billion at the end of this year.

Since the BCV [Central Bank of Venezuela] closes its accounts on certain dates, it has said that reserves have dropped by $1 billion. What happens is that exporters have given some banks the net earnings of their exports and have not informed the BCV. When they do, the reserve level will rise, he affirmed.

Although he stated that the business sector returned $2.1 billion worth of permits "it did not use," he reaffirmed the exchange system has become flexible, which is why he said a working commission was appointed with members of the Finance Ministry, JAC, and Fedecamaras to submit alternative mechanisms. "That would be the last step in the elimination of the exchange control system."

Voicing optimism, he said that investors "are lining up" to conduct operations in Venezuela. In particular, he mentioned 200 companies are interested in the oil opening and in bidding in October for the concessions to build highways.

Quotes Lower Inflation Level

PA0109150495 Caracas Venezolana de Television Network in Spanish 1550 GMT 31 Aug 95

[Report by Franklin Villasmil and Pedro Prado; from "The News" newscast — passages within quotation marks are recorded]

[FBIS Translated Text] [Villasmil] Finance Minister Luis Raul Matos Azocar has stated the year's inflation level will not exceed 50 percent, so those who predicted an overall inflation rate of 100 percent are simply exaggerating.

[Prado] Finance Minister Luis Raul Matos Azocar categorically gave the information. He said the latest analysis of the economic situation came to the conclusion that indicators reveal inflation will not reach three digits as was predicted. He added this will be possible because the excess liquidity was curbed, adding he does not believe inflation will go beyond 2.3 percent by the end of this month.

[Matos] "All those who made the dire prediction we would have an inflation rate of 100 percent this year had better put away, or break, their crystal balls, because we made an analysis for this month yesterday. Inflation will drop, and projections for this year indicate it will not exceed 50 percent. Do not buy these economic prognosticators' crystal balls."

[Prado] Contrary to what was stated by former Finance Minister Julio Sosa Rodriguez, Finance Minister Luis Raul Matos Azocar did imply the possibility of analyzing the sale of oil and gold in the futures market to alleviate Venezuela's fiscal deficit.

Roundup of Venezuelan Economic Developments

PA0609232195

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Venezuela monitored through 6 September.

The Inter-American Development Bank, IDB, is currently carrying out the Venezuelan Housing Project in four or five states. The project will cost $167 million and it will be implemented with IDB and Venezuelan Government funds. The selection of beneficiaries was made after an IDB delegation visited various regional housing institutes in the country to study their mechanisms in that sector. (Caracas EL UNIVERSAL in Spanish 30 Aug 95 p 2-14)

The Congress' Finance Commission has approved the Executive Branch's request to issue Treasury Bonds totaling 150 billion bolivares, which shall be used to cancel the public debt's service. (Caracas Venezolana de Television Network in Spanish 1550 GMT 30 Aug 95)

The Venezuelan Guayana Corporation registered losses in excess of 28 billion bolivares during the first quarter. The corporation's president, Elias Nadim Ynaty, said the negative balance is a result of exchange losses caused by the dollar's devaluation regarding the European and Japanese currencies. He said 25 billion bolivares correspond to capital and the rest to interests. Ynaty said: "We still have $70 million in matured debt. Although we have honored our debt payments, it has not been done at the desired or required speed due to the heavy exchange losses." (Caracas EL NACIONAL in Spanish 2 Sep 95 p 2-4)

El Corozo 3 oil well, discovered and drilled by Lagoven west of Maturin, northern Monagas State, currently generates 3,500 barrels of medium crude oil per day. According to preliminary estimates, its reserves total approximately 10 million barrels. Earlier this year Lagoven also located and drilled the Piedritas 2X well in northern Monagas State. Its initial daily production totaled 2,850 barrels of medium oil with a density of 23.8 API degrees. (Caracas EL GLOBO in Spanish 3 Sep 95 p 2E)

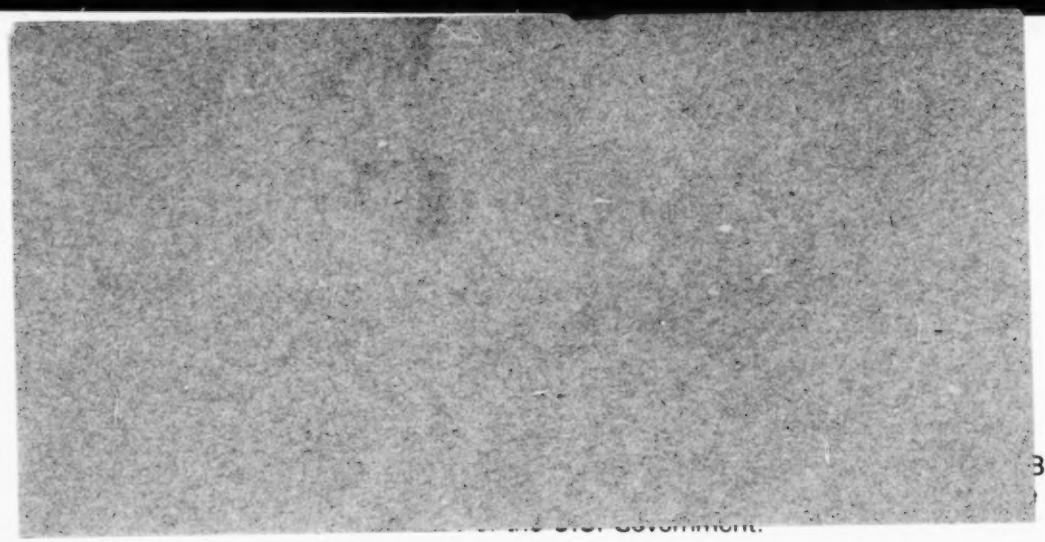
Jose Ignacio Moreno Leon, superintendent of the Integrated National Service for Tax Administration (Seniat),

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

said the new tax system includes a five-year exoneration period for all the foreign companies that invest in Venezuela. The Seniat superintendent said approximately 1.15 trillion bolivares will be collected by the end of the 1995 fiscal year. He said the Fiscal System Law and the sales tax will result in the additional collection of 150 billion bolivares. He also said Venezuela's revenues modernization program has yielded encouraging results by surpassing the 10-percent fiscal revenues estimate and will generate more than 100 billion bolivares in revenues this year. (Caracas EL GLOBO in Spanish 4 Sep 95 p 1E)

According to a study prepared by the Seniat, the overall fiscal evasion for this year will total 1.435 trillion bolivares. Fiscal authorities calculated 2.496 trillion bolivares in revenues but they actually got 1.61 trillion bolivares, which reflects an evasion of 57.49 percent, meaning 1.435 trillion bolivares. The information shows the evasion mainly involves luxury consumption tax, wholesale tax, income tax, and customs tax. (Caracas EL UNIVERSAL in Spanish 4 Sep 95 p 2-1)

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.



BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

Broadcast
policies,

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.